AMESBURY HOUSING AUTHORITY

ADMINISTRATIVE PLAN

Revised and Approved: June 20, 2017

Revised and Approved 3/2018

180 Main Street, Amesbury, MA 01913 ~ 978-388-2022

EQUAL HOUSING OPPORTUNITY

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AMESBURY HOUSING AUTHORITY

MISSION STATEMENT, OBJECTIVES AND PURPOSE OF PLAN

MISSION STATEMENT

The Amesbury Housing Authority (AHA) is committed to providing a full-range of safe, secure, suitable, and appropriate affordable housing opportunities to extremely low, very-low, and low-income family, elderly, and disabled households in a fair manner. The AHA is committed to assisting residents who are moving from welfare-to-work with affordable housing opportunities that do not act as disincentives to economic advancement. The AHA is committed to deconcentrating poverty within its federal conventional public housing developments and attempting and support wider access to affordable housing opportunities throughout the entire community. The AHA is committed to fair and non-discriminatory practices throughout all of its housing programs and activities.

OBJECTIVES-SUMMARY

The Amesbury Housing Authority (AHA) is organized under the statutes of the Commonwealth of Massachusetts (MGL 121B) with the express mission of providing safe, sanitary and decent housing to individuals of low income. The primary jurisdictional area of the AHA is the City of Amesbury. The AHA will occasionally administer Section 8 subsidy in adjoining communities that do not possess a local Section 8 Program administrator.

The AHA is committed to providing affordable housing opportunities to low-income persons who qualify under the rules and regulations that govern eligibility for federally subsidized housing programs.

The AHA has briefed to its local governing body, civic groups, property owners and Realtors, the subsidized housing programs being administered by the Authority. Most importantly, AHA has explained the types of subsidy each program provides, each program's eligibility requirements, and how these programs have been designed for the benefit of the community.

The AHA has worked closely with the City of Amesbury, social agencies and community organizations to assure the overall well-being of its program participants and to promote an overall housing strategy for the future benefit of the residents of Amesbury and the greater community. The Section 8 Housing Voucher Programs will afford stability to families and elderly/disabled in the City of Amesbury and offer mobility/portability to those who may wish to seek affordable housing opportunities in other communities.

The Amesbury Housing Authority does not discriminate on the basis of race, religion, color, creed, age, sex, ancestry, national origin, marital status, disability, or status as a Vietnam-era Veteran.

Individuals with a qualified disability may make requests for a reasonable accommodation consistent with the AHA's Reasonable Accommodation Policy.

PURPOSE OF THIS PLAN

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Housing Choice Voucher Program is implemented as of 10/1/99; pre-merger Regular Tenancy Contracts, Housing Voucher Contracts, and Over Fair Market Rent Tenancy Contracts will remain in effect until the family's second reexamination after the merger date or whenever a new lease is executed, whichever comes first.

The AHA is responsible for complying with all Changes in HUD regulations pertaining to these programs. If such Changes conflict with this plan, HUD regulations will have precedence. The original plan and any Changes must be approved by the Board of Commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD. Applicable regulations include:

24 CFR Part 5: General Program requirements

24 CFR Part 8: Nondiscrimination

24 CFR Part 982: Section 8 Tenant-Based Assistance

Local rules that are made part of this plan are intended to promote local housing objectives consistent with the intent of the federal housing legislation.

AMESBURY HOUSING AUTHORITY
ADMINISTRATIVE PLAN
POLICIES AND PROCEDURES

FAIR HOUSING POLICY

It is the policy of the Amesbury Housing Authority to comply with all Federal, State and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The AHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the Section 8 programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, the AHA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of discriminatory act. A copy of the HUD brochure, "Fair Housing—It's Your Right" that contains housing discrimination complaint form HUD – 903 and /or 903A (Spanish version) are in the information packet given to the family at the briefing, and available upon request at the front desk.

All Amesbury Housing Authority staff will be required to attend fair housing training sessions and informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as part of the overall commitment to quality customer service. Fair Housing posters are posted throughout the Amesbury Housing Authority office, including the lobby and interview rooms and the equal opportunity logo will be used on all outreach materials. Staff will attend local fair housing update training sponsored by HUD and other local organization to keep current with new developments.

If a family is having difficulty leasing a unit, the AHA should proactively attempt to spot issues that may be discriminatory. If a family claims discrimination because of race, color, religion, sex, national origin, age, familial status, or disability, the AHA will advise the family of its options and explain how to complete a discrimination complaint form. The staff person completing the complaint form will make no judgment about the legitimacy of a complaint, he/she is there to help the tenant complete the necessary forms.

Except as otherwise provided, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the AHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the AHA's office in such a manner as to be easily readable from a wheelchair.

The Amesbury Housing Authority's office is accessible to persons with disabilities. Accessibility for the hearing impaired will provided if requested. The AHA will verify disabilities under definitions in the Fair Housing Amendments Act if 1988, Section 504 of the 1973 Rehabilitation Act, and Americans with Disabilities Act.

REASONABLE ACCOMODATION POLICY AND PROCEDURES FOR PROSPECTIVE AND EXISTING TENANTS WITH DISABILITIES

I. Policy

Summary. It is unlawful, and against Amesbury Housing Authority ("AHA") policy, for any AHA employee to discriminate against a prospective or existing tenant with a disability. The AHA promotes and encourages the participation of disabled persons to the fullest extent possible in all of its programs, services, and activities. In accordance with the law and AHA policy, the AHA will provide "reasonable accommodations" to all prospective and existing tenants with disabilities who request them unless it is determined, under the procedures detailed below, that the accommodation would present an undue financial or administrative burden or make a fundamental alteration in the nature of its programs. In such cases where a request for accommodation may present an undue financial or administrative burden or make a fundamental alteration of a program, the AHA will attempt to propose alternative solutions and/or accommodations which do not create such a hardship or make such an alteration, and otherwise work in good faith with the requesting tenant to find acceptable alternatives.

Non-Retaliation. It is unlawful, and against AHA policy, for any AHA employee to retaliate against any person who has requested a reasonable accommodation or has complained of or opposed alleged discrimination by the AHA based on disability or any other protected status. Examples of retaliation include initiating eviction proceedings against a tenant, subjecting a tenant to a retaliatory investigation into or heightened scrutiny of the tenant's compliance with AHA policies, and creating a hostile environment for a tenant.

Person with a disability. A person has a disability under state and federal law if the person (1) has a physical or mental impairment that substantially limits a major life activity, or (2) the person has a record of such an impairment, or (3) the person is perceived as having such an impairment. A disability can be apparent, as in the case of someone who needs use of a wheelchair for mobility or is deaf or blind, or not apparent, as in the case of someone with a cognitive disability or mental illness. Under Massachusetts' law, a person has a physical or mental impairment that substantially limits a major life activity if the person would have this condition in the absence of any self-help measures that person undertakes, such as use of glasses or the taking of medication.

Reasonable accommodation. A reasonable accommodation is a change to the physical environment at the AHA, or the way the AHA handles that person's current or prospective tenancy, that the person needs because of a disability in order to have an equal opportunity to enjoy the AHA's housing or programs.

The need for a reasonable accommodation and the obligation to provide one arises most frequently in the following situations:

- A prospective or existing tenant with a disability needs a change in the AHA's rules, policies or procedures to use and enjoy the AHA's premises and programs;

- A prospective or existing tenant with a disability needs a change, modification or repair to his or her apartment or a special type of apartment in order for that person to be able to use and enjoy the apartment;

- A prospective or existing tenant with a disability needs a change or repair to some other part of the housing site in order to use and enjoy his or her apartment or the AHA's facilities or programs; and

- A prospective or existing tenant needs a change in the way the AHA communicates with that person for the person to use and enjoy his or her apartment or the AHA's facilities or programs.

- A prospective or existing client/tenant that they may qualify for an exception payment standard if they need a unit with accessible features due to a disability

Section 504 Coordinator/AHVP Administrator/AHVP Coordinator. In order to implement this Policy, the AHA has designated a Section 504 Coordinator/AHVP Administrator/AHVP Coordinator to work with existing and prospective tenants on reasonable accommodation requests. Information on the identity and contact information for the Section 504 Coordinator/AHVP Administrator is included in the AHA's Notice of Right to Reasonable Accommodation ("Notice").

Requests for reasonable accommodation. There is no magic formula for the words a person needs to use to request a reasonable accommodation. A person does not need to say specifically that he or she "requests a reasonable accommodation" to be considered for one. It is enough that the person indicate a need for action by the AHA of a type described above because of a medical, physical, psychiatric, or emotional condition. In the event that a person indicates that need to any employee of the AHA, the employee must refer that person to the AHA's Section 504 Coordinator/AHVP Administrator. A prospective or existing client/tenant may qualify for an exception payment standard if they need a unit with accessible features due to a disability

Medical inquiries. It is unlawful and against AHA policy for any AHA employee to inquire about the nature or extent of the requesting person's disability, including the diagnosis, the details of treatment and medications taken. It is unlawful and against AHA

policy to request a person's medical records. Medical inquiries must be limited to verification that a person's condition meets the legal definition of "disability" and that an accommodation would afford the person an equal opportunity to enjoy the AHA's housing and services, as detailed below.

Interactive process. The AHA shall make every effort to comply with any reasonable request for an accommodation by a prospective or existing tenant with a disability. In the event that a request cannot be honored because the accommodation would pose an undue financial or administrative burden or would make a fundamental Change in the nature of the program, the AHA will make every reasonable attempt to work with the applicant or resident to reach an alternative solution to provide the person with an equal housing opportunity.

II. Procedures

It is the policy of the AHA to be service-directed in the administration of our housing programs and to exercise and demonstrate a high level of professionalism while providing housing services to families.

The following are the AHA's reasonable accommodation procedures that will apply to the reasonable accommodation request process. All information will be maintained confidentially, maintained separately from tenant files, and be made available only to AHA employees who are directly involved in decisions regarding the request for accommodation or for overseeing or supervising the decision-making process.

1. Any applicant or tenant who wishes to request a reasonable accommodation should direct a request to AHA's Section 504 Coordinator/AHVP Administrator (HCVP Administrator). A prospective or existing client/tenant may qualify for an exception payment standard if they need a unit with accessible features due to a disability The Section 504 Coordinator/AHVP Administrator shall follow the procedures outlined below. However, the Section 504 Coordinator/AHVP Administrator shall timely consider a reasonable accommodation request made verbally, or in writing without use of the Request for a Reasonable Accommodation form ("Exhibit 1"), along with any form of documentation from a qualified person verifying the requesting person's disability and need for the reasonable accommodation, in the event that the disability and need for the accommodation are not obvious.

2. Within ten (10) business days of receipt of a completed Request, the 504 Coordinator/AHVP Administrator/HCVP Administrator shall mail the Verification Statement to the person designated by the requesting party to provide verification, along with a written request that the Verification Statement be completed and returned within ten (10) days, in the event that the requesting party has not otherwise supplied written confirmation from a qualified professional of the person's disability and need for the requested accommodation. In the event that a completed Verification Statement is not received within ten (10) days of mailing, the Section 504 Coordinator/AHVP Administrator shall follow-up with the person to whom the Verification Statement was

sent at weekly intervals thereafter, either by telephone or by mail, to ask that the Verification Statement be completed and returned.

3. Upon receipt of verification of a disability and need for the requested accommodation the 504 Coordinator/AHVP Administrator/HCVP Administrator shall verify that the information requested in the Request Form and Verification Statement needed to decide the request has been provided in some manner. If the Section 504 Coordinator/AHVP Administrator determines that the information provided is incomplete, the Section 504 Coordinator/AHVP Administrator will make diligent efforts to promptly obtain complete information, including contacting the requesting party or verifying party with a request for complete information, and will document such efforts.

4. A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of his or her disability before AHA will treat a person differently than anyone else. AHA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services.
5. If AHA finds that the requested accommodation creates an undue administrative or financial burden,
6. AHA will deny the request and/or present an alternate accommodation that will still meet the need of the person.
7. AHA will provide a written decision to the person requesting the accommodation within fourteen (14) business days, after receipt of all requested information. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review AHA's decision.
8. All documentation relating to prospective and existing tenants' requests for accommodation and the AHA's response to such requests, including, but not limited to, completed Requests for Accommodation, completed Verification Statements, Decision Letters shall be retained.

It is against AHA policy and federal and state law for any AHA representative to in any way retaliate against a person who has requested a reasonable accommodation or who has complained of or opposed alleged discrimination by the AHA based on disability or any other protected status, including by seeking to evict a tenant who has done so, by subjecting such tenant to heightened scrutiny of the tenant's conformance with the AHA's rules or policies or to a hostile environment, or by any other adverse action.

TRANSLATION NEEDS

A. Limited English Proficiency Plan Purpose

The purpose of this Plan is to assist the Amesbury Housing Authority ("AHA") staff in providing meaningful access to AHA's programs and activities ("programs") with limited English proficiency ("LEP"). The AHA is committed to complying with federal

requirements in providing free meaningful access to its programs and activities for its LEP clients. No LEP client will be denied access to an AHA program because the client does not speak English or communicates in English on a limited basis.

B. Definition of Terms

1. Client

A client is:

- A person who is an applicant for or participant in the AHA's public housing programs,
  Housing Choice Voucher Program, and other AHA programs; and/or

- A person who may be eligible for an AHA program but is underserved and may benefit from an outreach program.

2. Effective Communication

Effective communication occurs when AHA staff has taken reasonable steps to provide meaningful access to a LEP client. Effective communication also means that the LEP client is able to provide and receive required or necessary information.

3. Interpretation

Interpretation means the oral or spoken transfer of a message from one language into another language.

4. Language Assistance

Language assistance includes interpretation and translation. AHA has the sole discretion to determine whether to provide the language assistance in the form of interpretation or translation.

5. Limited English Proficiency

A person will be considered of limited English proficiency if he/she does not speak English as a primary language and has a limited ability to read, write, speak or understand English. The focus is on the client's lack of English proficiency. A client who proficiently speaks English is not a LEP client.

6. Meaningful Access

Meaningful access is free language assistance in compliance with federal requirements. The AHA's goal is to provide meaningful access to the AHA's programs by LEP clients in a manner that balances the following four factors:

- The number or proportion of LEP clients eligible to be served or likely to be encountered by the AHA;

- The frequency with which the AHA comes into contact with a particular language. The AHA's daily contact with a particular language may require more language service than sporadic contact;

- The nature and importance of the program to the person's life. A compulsory activity is evidence of importance. For example, voluntary attendance at a resident meeting does not have the same importance as the application and termination process for public housing and the Housing Choice Voucher Program.

- The AHA's resources and the cost of providing meaningful access. Reasonable steps may cease to be reasonable where the costs imposed substantially exceed the benefits. The AHA determines the budget for language assistance.

7. Translation

Translation means the written transfer of a message from one language into another language.

C. Offer of Free Language Assistance

The AHA staff will offer the opportunity for meaningful access to LEP clients. If a client asks for language assistance and the AHA determines that the client is LEP and that language assistance is necessary to provide meaningful access, the AHA will make reasonable efforts to provide free language assistance. If reasonably possible the AHA will provide the language assistance in the LEP client's preferred language.

D. Language Assistance

1. Mix of Language Assistance

The AHA has substantial flexibility in determining the type of language assistance necessary to provide meaningful access. Meaningful access should be at a time and place that avoids the effective denial of the program or an undue burden or delay in the rights, benefits or services to the LEP client.

2. Translation of Documents

Where greater than 10% of the AHA's clients speak a specific language, the AHA will translate the public housing lease and selected mass mailings in that language.

3. Formal Interpreters

Formal interpreters include AHA bilingual staff and contract vendors.

Formal interpreters shall be used at the formal hearing for denial of admission to the AHA programs, informal settlement conferences, and formal hearings for termination of participation in programs.

4. Informal Interpreters

Informal interpreters may include the LEP client's family members, friends, legal guardians, service representatives or personal advocates.

Informal interpreters may be appropriate depending on the circumstances and the subject matter. However, in many circumstances, informal interpreters, especially children, are

not competent to provide quality and accurate interpretations. There may be issues of confidentiality, competency or conflict of interest.

A LEP client may use an informal interpreter of his/her own choosing and expense in place of or as a supplement to the free language assistance offered by the AHA. If possible, the AHA should accommodate a LEP client's request to have an informal interpreter.

5. Outside Resources

Outside resources may include community volunteers, AHA residents and participants in the Housing Choice Voucher Program. Outside resources may be used for interpretive services at public or informal meetings or events.

6. Emergency Situations

Any interpreter may be used in an emergency situation. The AHA should first respond to the emergency and follow up with language assistance as appropriate.

7. Documented Use of Formal Interpreter

The AHA staff shall document in the LEP client's file or record when a formal interpreter is used during the application and termination process to an AHA program or during a public housing grievance procedure.

E. Guidelines for Using an Interpreter

The following guideline should be followed when an AHA staff person is using an interpreter:

- State the purpose of the communication and describe the type of information to be conveyed;
- Enunciate words clearly and avoid contractions such as "can't" that can easily be misunderstood. Instead, say "cannot."
- Peak in short sentences, expressing one idea at a time and allow the information to be interpreted;
- Avoid the use of double negatives, e.g. "If you don't appear in person, you won't get your benefits." Instead say, "You must come in person in order to get your benefits."
- Speak to the LEP client and not to the interpreter;
- Avoid using slang and acronyms such as AHA, HUD, DHCD;
- Provide brief explanations of technical terms of art, such as reexamination, income disregard, and minimum rent.

- Occasionally ask the interpreter if he/she understands the information. If the interpreter is confused, the LEP client may be confused;

- Be patient and thank the interpreter.

F. <u>Notice of Free Language Assistance For AHA Business</u>

The application procedures and process for AHA programs include a space to inquire about LEP eligibility and need for language assistance;

The annual reexamination procedures and process advise clients about how to request free language assistance for AHA business;

Each denial to a AHA program contains language that the client may contact the AHA for free language assistance for the action taken;

The AHA shall determine on what other occasions to give notice that a client may request free language assistance for AHA business;

G. <u>Collection of Language Information</u>

- The application for AHA programs are being reviewed to include a space for the LEP client to identify the language for which interpreter and/or translation services are needed.

- AHA Staff Training

- The AHA will make this LEP Plan available to staff.

- Any AHA staff member who is likely to have ongoing contact with LEP clients will attend LEP training.

- LEP training will include the following:
- The AHA's duty to offer free language assistance in compliance with federal requirements;
- The substance of the AHA's LEP Plan;
- The methods to be used to document a client's language needs; and
- Identity of the LEP Manager, bilingual staff and contract interpreters.

H. <u>Monitoring</u>

Periodically, the AHA will review the LEP Plan. The review will include a determination as to whether 10% of AHA's clients speak a specific language requiring the translation of documents as provided in this plan.

MANAGEMENT ASSESSMENT OBJECTIVES

The AHA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that the AHA is using its resources in a manner that reflects its commitment to quality and service. The AHA policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators.

- Selection from the Waiting List
- Reasonable Rent
- Determination of Adjusted Income
- Utility Allowance Schedule
- HQS Quality Control Inspections
- HQS Enforcement
- Expanding Housing Opportunities
- FMR/exception rent and Payment Standards
- Annual reexamination
- Correct Tenant Rent Calculations
- Pre-Contract HQS Inspections
- HQS Inspections
- Lease-up
- Bonus Indicator Deconcentration

An AHA supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors will perform supervisory quality control reviews:

- Selection from the waiting list
- Rent reasonableness
- Determination of adjusted income
- HQS Enforcement
- HQS Quality Control

The annual sample of files and records will be drawn in an unbiased manner, leaving a clear audit trail.

The minimum sample size to be reviewed will relate directly to each factor.

PRIVACY RIGHTS

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for release of Information. This document incorporates the Federal Privacy Act Statement ad describes the conditions under which HUD/AHA will release family information.

The AHA's policy regarding release of information is in accordance with State and local laws that may restrict the release of family information.

Any and all information which would lead one to determine the nature and/or severity of a person's disability must be kept in a separate folder and marked "confidential" or returned to the family member after its use. The personal information in this folder must not be released except on an "as needed" basis in cases where an accommodation is under consideration. All requests for access and granting of accommodations based on this information must be approved by the Housing Choice Voucher Administrator.

AHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

FAMILY OUTREACH

The Amesbury Housing Authority has elected to utilize the new Centralized Application and Waiting List process. Over the past few years, the Department of Housing and Urban Development has encouraged the use of a Centralized Waiting List by Public Housing Authorities.

It is anticipated that a Centralized Section 8 Waiting List will afford the Amesbury Housing Authority and its clients the following benefits:

- Ease of application process for applicants who may apply at the office of any Housing Authority participating in the centralized waiting list option.

- Eliminate the procedural hardship on families and administrative burden to the Housing Authority of closing and opening of the Section 8 Waiting List. The Centralized Section 8 Waiting List will be maintained as an open waiting list.

- Increase housing opportunities for families who now have the potential option of placement at a number of locations throughout the Commonwealth through the submission of a single application.

OWNER OUTREACH

The AHA makes a concerted effort to keep private owners informed of legislative Changes in the tenant-based program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative Changes in program requirements.

The AHA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families. The AHA conducts periodic meetings with participating owners to improve owner relations and to recruit new owners.

The AHA will maintain lists of available housing submitted by owners in all neighborhoods within the Housing Authority's jurisdiction to ensure greater mobility and housing choice to very low-income households.

The AHA encourages program participation by owners of units located outside areas of poverty or minority concentration. The AHA periodically evaluates the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted. The purpose of these activities is to provide more choice and better housing opportunities to families. Voucher holders are informed of a broad range of areas where they may lease units inside the AHA's jurisdiction and given a list of property owners or other parties who are willing to lease units or help families who desire to lie outside areas of poverty or minority concentration.

The AHA shall periodically:

- Develop working relationships with owners and real estate broker associations.

- Establish contact with civic, charitable or neighborhood organizations which have an interest in housing for low-income families and public agencies concerned with obtaining housing for displacements.

- Explain the program, including equal opportunity requirements and nondiscrimination requirements, including Fair Housing Amendments Act of 1988 and Americans with Disabilities Act, to real estate agents, property owners, and other groups that have dealings with low-income families or are interested in housing such families.

ADMINISTRATIVE PLAN

SECTION A - ACCEPTANCE OF APPLICATIONS

A single, standardized Preliminary Application is available at each participating Housing Authority. A master list of all participating Housing Authorities will be maintained at the office of the Massachusetts Chapter of the National Association of Housing and Redevelopment Officials (hereinafter Mass NAHRO) and at each participating Housing Authority and online at www.section8listmass.org. Only one application will be accepted for each Head of Household.

The Preliminary Application will request information as required to administer the Section 8 Housing Choice Voucher Program such as: name and city or town (where Head of Household and spouse live and work), telephone number, total number of family members, Head of Household's social security number, if client is 62 years of age or older or disabled, total gross family income, race, and ethnicity. Information regarding preferences adopted by participating Housing Authorities will also be elicited on this application.

The Housing Authorities collectively reserve the right to modify the application to include other information required or useful to administer the Section 8 Housing Choice Voucher Program. All participating Housing Authorities must agree to adopt said modification to the application in advance to such modification.

Applications will be available for completion at the AMESBURY Housing Authority in person between the hours of 8:30 and 4:00 on the following days of the week: Monday through Thursday; 8:30 AM to 3 PM. Applications are available to download from the centralized wait list at www.section8listmass.org.

Upon completion of the application it shall be marked by the Housing Authority staff with date and the time of submission and the family shall be provided with a standard receipt evidencing submission of the application.

The AMESBURY Housing Authority will then enter the information from the Preliminary Application into the Centralized Waiting List.

UPDATING THE APPLICATIONS

A family may update its application (i.e. Change of address) for Section 8 Assistance online at www.section8listmass.org or at the office of any Housing Authority participating in the Centralized application process regardless of where the original application was submitted. To update the application a written request must be submitted by the family.

A. ELIGIBILITY FOR ADMISSIONS

The AHA accepts applications only from families whose head or spouse is at least 18 years of age or emancipated minors under State law.

To be eligible for participation, an applicant must meet HUD's criteria The HUD eligibility criteria are:

- An applicant must be a "family"
- An applicant must be within the appropriate Income Limits
- An applicant must furnish Social Security Numbers for all family members, or sign a declaration that no Social Security number was assigned
- An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification where required
- At least one member of the applicant family must either be a U.S. citizen or have eligible immigration status before the AHA may provide financial assistance.

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" Chapter. These reasons for denial constitute additional admission criteria.

The family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors.

Eligibility will be verified before the family is placed on the waiting list.

LOCAL PREFERENCES AND PRIORITIES

An applicant will not be granted any Local preference if any member of the family has been evicted from housing assisted under a 1937 Housing Act Program during the past three years because of drug-related criminal activity.

The AHA will grant an exception to such a family if:

- The responsible member has successfully completed a rehabilitation program.
- The evicted person clearly did not participate in or know about the drug-related activity.

If an applicant makes a false statement in order to qualify for any preference, the AHA will deny the preference.

For the Section 8 Program, the Housing Authority provides points for preferences, these include:

1 to 1 - Resident/ Essex County Preference -Both of these Preferences weigh the same **(25 points)**

Residency preference for residents that lives and/or works in the town of Amesbury

- Definition: Amesbury Residents: a person who has principal residence or a place of employment in the local area as defined above, at the time of application and at the time of final determination of eligibility. Temporary residence with relatives or friends in the regional area is not sufficient unless the person's last residence and domicile was in the local area. In the case of an applicant determine by the AHA to be homeless, the applicants may select one community for residency preference, either in the community from which he or she was displaced through no fault of his/her own, or the community in which he/she is temporarily bases.

- "Working" is defined as employment of at least 20 hours/week during the previous twelve (12) month.

Essex County Preference for residents that lives and/or works in the State of Massachusetts Essex County

- Definition: a person who does not live and/or work in the town of Amesbury, but lives and/or works in one of the cities/town located in the State of Massachusetts Essex County.

- Working" is defined as employment of at least 20 hours/week during the previous twelve (12) month.

- **Victim of Domestic Abuse or Veteran (20 points)**

  - Definition: "Victims of Domestic Violence" refers to an applicant who vacated their unit because of domestic violence or lives in a unit with a person who engages in violence. Documented actual or threatened violence directed toward self or member(s) of household by spouse or other member of applicant's household must come from a third party source, i.e. shelter advocate, social worker, law enforcement agency, etc. The domestic violence should have occurred recently or be of a continuing nature.

  - If approved for assistance, the applicant must certify that the person who engaged in such violence will not reside with the applicant family unless the AHA has given advance written approval. The AHA may deny or terminate assistance to the family for breach of this certification.

- **Veteran's and veteran's families –** any person who is a veteran is any person, who served honorably on active duty in the armed forces of the United States. (Discharges marked general and under honorable conditions also qualify) The word Veteran as used herein shall also include the spouse, surviving spouse, parent or other dependent of such person.

- **ORDER OF SELECTION**

  - For purposes of Waiting List Management, a household that qualifies for the Veteran's preference, is not entitled to a Domestic Violence preference, and vice-versa and will receive 20 points.

  - All households who qualify for the 1 to 1 Resident/ Essex County Preference as defined in the Plan will get 25 points. The more preference points an applicant has, the higher the applicant's place on the waiting list. Among applicants with equal preference status, the waiting list will be organized by date and time of application.

ELIGIBLE IMMIGRANT STATUS

Effective June 19, 1995, access to all federal housing subsidy (Section 8 and Public Housing) is contingent on possession of U.S. Citizenship or Eligible Immigrant Status by all household members. This requirement was established by Section 214 of the Housing and Community Development Act of 1980.

This means that in order to be eligible for housing subsidy each member of a household will need to sign a declaration for the Authority under pains and penalty of perjury that he or she either is a U.S. Citizen or possesses and can document Eligible Immigrant Status. This includes all children under 18 years of age for which an adult guardian will be requested to sign the declaration.

For U.S. citizens and Nationals (those born in a U.S. Territory or Possession) and eligible immigrants over 62 years of age, execution of the certification is the end of the process as no further verification is required by regulation.

Eligible Immigrants are those who fall into one of the following immigration categories:

- Permanent Resident Alien;
- Refugee pursuant to Section 207 of the INA;
- Section 208 of the INA or "asylum";
- Section 243(h) of the INA or "deportation stayed by the Attorney General";
- Paroled pursuant to Section 212(d)(5) of the INA;
- a final court decision granting asylum which is not under appeal by the INS;
- a Letter of Asylum;

- a court decision on INS letter withholding deportation;
- temporary resident status under Section 245A or 210; or
- Employment authorization under Section 2741.12(11) or Section 274a.12.

Individuals who are eligible immigrants will be required to sign a declaration of Eligible Immigrant Status and, if they are under 62 years of age, provide evidence of the declared status in the form of an original Immigration and Naturalization Service (INS) document or legal correspondence. Each individual in the household will need to sign a consent form authorizing the Housing Authority to verify each individual's status with the INS. Guardians will need to certify for minors. Failure or refusal to execute the declaration will lead to loss of that individual's right to housing subsidy.

Assistance will not be delayed or denied during the verification process provided that the cause of the delay is not the applicant household.

If the INS cannot verify the Eligible Immigrant Status, the household will be notified of its right to appeal. This notification of the right to appeal will occur if the computer search and manual document search of INS records have been completed without a declaration being verified.

PROGRAM OCCUPANCY STANDARDS

Occupancy standards determine the family unit size. The family unit size is the number of bedrooms needed for families of different sizes and compositions, and is used to determine the rent subsidy for the family.

Subsidy size	Minimum # of persons	Maximum # of persons	Minimum # of bedrooms
0	1	1	0
1	1	2	1
2	2	4	1
3	3	6	2
4	4	8	3
5	5	10	4
6	6	12	5

*Minimum # of bedrooms may include other rooms that could be used for sleeping.

For purposes of determining occupancy standards, an adult is 21 years or older. A child is under 21 years of age.

Adults will be allocated one bedroom per adult. If two adults consider themselves partners they will be allocated one bedroom.

Single pregnant women with no other children in the household will be allocated two bedrooms.

Two children of the same gender, regardless of the age differential, will be allocated one bedroom.

Two children of the opposite gender will be required to share a bedroom until the oldest child is six (6) years or older.

Live-in aides, documented as medically necessary for the care of a family member who is disabled and/or is at least 50 years of age, will be allocated a separate bedroom.

A child who is temporarily absent because of placement in a foster home is considered a family member in determining the family unit size. As used in this section, "temporarily" means that the Department of Social Services (DSS) goal for the family is reunification with their children within one year of the date of occupancy.

When the goal for children in foster care is adoption, the children are not considered "temporarily" absent and the family will be issued a subsidy size that does not include the children in foster care. Should DSS Change a family's goal from adoption to reunification the AHA will increase the family's occupancy size as appropriate, and when appropriate. In any case, the AHA will not terminate a HAP contract unless HQS space standards are violated.

The family must sign a release for the purpose of obtaining relevant information from DSS.

If a planned reunification does not occur within the first year after the subsidy is issued, the family will be considered over-housed.

If there is a Change in the family unit size that would apply to a family during the HAP contract term, either due to a Change in family composition, or a Change in the AHA's subsidy standards, the new family unit size must be used to determine the payment standard amount for the family at the family's first annual reexamination following the Change in family unit size. 24 CFR 982.505(c) (4)

Exceptions to occupancy standards

Exceptions to these standards may be granted by the AHA for documented reasons critical to the household's health or if justified by handicap, relationship of family members, or other personal circumstances. Documentation must come from appropriate third party sources such as a doctor psychiatrist, or psychologist. It is the responsibility of the applicant or participant to obtain such documentation.

Families may be over-housed under the Housing Choice Voucher Program. However, the proper payment standard will be based upon the subsidy size or the actual number of bedrooms in the unit, whichever is less. The AHA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

DETERMINATION OF ELIGIBILITY

The AHA will inform the family of the eligibility criteria, including applicable income limits, and other facts, such as the family size and type that may affect the family's eligibility. In addition, the family will be provided with general information about the Section 8 program.

At the time of initial application, households who are determined to be eligible or properly certify to their eligibility will be placed on the Waiting List according to the procedures for Waiting List Openings.

As the household nears the top of the Waiting List, AHA staff will schedule the family for an interview at which the family will be required to provide documentation verifying their eligibility for any preference or priority, as well as providing AHA with verification of income, assets, deductions, disability status, elderly status, social security numbers, citizenship or immigration status, and family composition, as applicable.

After the interview and when the Authority has received all documentation, the staff will determine whether the family is eligible to participate in the program in accordance with current Section 8 regulations and administrative guidelines. A determination will be made of the applicant's family composition, appropriate bedroom size, anticipated income, and the family's approximate share of rent or Total Tenant Payment (TTP).

All determinations of income eligibility will be made in conformance with 24 CFR 982.201. All determinations of eligibility based on household composition will be made in conformance with 24 CFR 982.201(c).

AHA will only admit eligible families to the Section 8 program. To be eligible, the applicant must be a family as defined in the regulations, must be income eligible as defined in the regulations and must meet AHA requirements regarding money owed for participation in a housing program and AHA CORI requirements regarding history of drug activities.

The 2014 Omnibus Appropriations Bill HR 3547 makes statutory Changes to the Section 8 Program. The definition of extremely low-income (ELI) families to mean very low-income families whose incomes do not exceed the higher of the federal poverty line or 30 percent of area median income (AMI).

A family may be a single person or a group of persons with or without a child or children.

A family may be a group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with a live-in aide.

A family may be more than one person living together demonstrating a stable family relationship. A single person family may be an elderly person, a disabled person, a handicapped person, a displaced person, a pregnant woman, or any other single person. Single person families, which are not displaced, elderly, or disabled in accordance with the criteria specified herein, may file an application. However, no single person family may be served prior to housing all eligible elderly or disabled individuals.

All applicants who complete a pre-application and meet the minimum criteria of the pre-application will be deemed eligible pending submission of a full application and a final determination of eligibility.

Eligible applicants will be issued Housing Vouchers according to the steps outlined.

DETERMINATION OF INELIGIBILITY

A Ineligibility for Assistance

If a family is denied assistance by the Amesbury Housing Authority, they will have the right to the grievance procedures set forth, provided it is requested in writing within 10 working days of receipt of the notice of ineligibility. After such time expires to request an informal hearing or a hearing is held and the decision is upheld, the family will be denied participation in the Section 8 Program by the Housing Authority making the determination. The family's name will not be removed by the Amesbury Housing Authority from the Centralized Section 8 Waiting List because the family may be eligible under another participating Housing Authority's policies. However, the family will not be again selected by the Amesbury Housing Authority unless the family has been withdrawn from the Centralized Section 8 Waiting List and a new application has been submitted.

B Determination that Family is Over Income Limits

If the family was denied participation in the Section 8 Housing Choice Voucher Program because it was over income for the program, the name will be removed from the Centralized Section 8 Waiting List if the Housing Authority making the determination is in the jurisdiction with the highest income limits of those Housing Authorities participating in the Centralized Section 8 Waiting List process. Otherwise, the family's name will not be removed by the Amesbury Housing Authority from the Centralized Section 8 Waiting List because the family may be income eligible under another participating Housing Authority's policies. However, the family will not be again selected by the Amesbury Housing Authority unless the family has been withdrawn from the Centralized Section 8 Waiting List and a new application has been submitted.

C. No Response

Further, if the family does not respond to a letter sent by a participating Housing Authority to attend an eligibility determination appointment or to otherwise respond to the Housing Authority, the Housing Authority who requested said response may remove the family's name from the Centralized Section 8 Waiting List. The manner and grounds for said removal shall be governed by the Administrative Plan for the Housing Authority making said removal.

D. Families Nearing the Top of the Waiting List

When a family appears to be within 1-2 months of being offered assistance, the family will be sent an update letter to begin the verification process. It is at this point in time that the family's waiting list preference will be verified. If the family no longer qualifies to be near the top of the waiting list, the family's application will be returned to the appropriate spot on the waiting list. The Amesbury Housing Authority must notify the family in writing of this determination and give the family the opportunity for an informal review.

Once the preference has been verified, the family will complete a full application, present all required documentation and signed forms to determine final eligibility.

E. Missed Appointments

All applicants who fail to keep a scheduled appointment in accordance with the paragraph below will be sent a notice of withdrawal. All notices returned undelivered shall cause the applicant's name to be withdrawn from the waiting list.

The Amesbury Housing Authority will allow the family to reschedule appointments for good cause. Generally, no more than one opportunity will be given to reschedule without good cause, and no more than two opportunities for good cause. When a good cause exists, the Amesbury Housing Authority will work closely with the family to find a more suitable time. Applicants will be offered the right to an informal review if they are removed from the waiting list.

F. Updating the Applications

A family may update its application (i.e. change of address) for the Section 8 Assistance at the office of any Housing Authority participating in the Centralized application process regardless of where the original application was submitted. To update the application, the applicant must submit a written request and be submitted by the family. Applicants can also update its application by going to http://www.section8listmass.org/ and creating a user name and password.

G. Waiting list updates; purging of waiting list

If determined necessary by Mass NAHRO, on an annual basis, Mass NAHRO may send a letter to each applicant on the Centralized Section 8 Waiting List. This letter will be sent to the address on the Section 8 preliminary Application or on any written Change of status request that was completed and sent to a participating Housing Authority. Applicants will be requested to respond to the mailing either online at http://www.section8listmass.org/ or by mailing back the response card within a time parameter set forth in the letter and the letter

shall indicate that failure to respond will result in the removal of his/her name from the Centralized Section 8 Waiting List[1]. In the event that the applicant does not respond within the applicable time parameter, his/her name shall be removed from the Centralized Section 8 Waiting List.

H. Grounds for Denial

The Amesbury Housing Authority will deny assistance to applicants consistent with Section H, Grounds for Denial of Program Participation of the Amesbury Housing Authority Administrative Plan.

I. Notification of Negative Actions

Any application whose name is being removed from the waiting list will be notified by the Amesbury Housing Authority, in writing, that they have ten (10) business days, from the date of the written correspondence, to present mitigating circumstances or request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the time frame specified. The Amesbury Housing Authority's system of removing applicants names from the waiting list will not violate the rights of persons with disabilities. If an applicant's failure to respond to a request for information or updates was caused by the applicant's disability, the Amesbury Housing Authority will provide a reasonable accommodation. If the applicant indicates that they did not respond due to a disability, the Amesbury Housing Authority will very that there is in fact a disability and that the accommodation they are requesting is necessary based on the disability.

J. Informal Review

The Amesbury Housing Authority will provide an applicant that does not meet the criteria for receiving Section 8 Assistance notification consistent with Section I-Informal Review and Hearings of the Amesbury Housing Authority Administrative Plan.

When a family expresses a problem with a decision made by a Housing Authority involved in the Centralized Section 8 Waiting List option, that family shall be referred to the Housing Authority who made the determination in question. When a family expresses a problem with a decision made by Mass NAHRO on behalf of all LHAs participating in Centralized Waiting List, that family shall be instructed to send a written request for reinstatement along with supporting documentation to Mass NAHRO's Centralized Waiting List Administrator at: Mass NAHRO's Centralized Waiting List, PO Box 8727, Boston, MA 02114.

SECTION B - ISSUANCE OF VOUCHERS

A Voucher is issued in conjunction with attendance at a Section 8 Program Briefing Session.

The date of issuance is documented. Any extensions, the date the family's lease becomes effective and/or the date the voucher expires and the file is closed are also documented.

VERIFICATION OF INCOME AND DETERMINATION OF TOTAL TENANT PAYMENT

Each applicant will be required to provide complete information on income within a clearly prescribed period of time. All applicants will be informed of the specific time limitations at the start of the verification process. Third party verification of all income, assets, expenses and deductions may be necessary in order to determine a tenant's rent.

Third party verification of all income, assets, expenses and deductions may be necessary in order to determine a tenant's rent.

VERIFICATIONS

HUD's Verification Hierarchy:
HUD authorizes the PHA to use six methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

AHA Policy
In order of priority, the forms of verification that the AHA will use are:

- Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Up-front Income Verification (UIV) using a non-HUD system
- Written Third-Party Verification (may be provided by applicant or participant)
- Written Third-party Verification Form
- Oral Third-party Verification
- Self-Certification \

Each of the verification methods is discussed in subsequent sections below.

Requirements for Acceptable Documents

AHA Policy

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 days of the date they are provided to the PHA. The documents must not be damaged, altered or in any way illegible.

Print-outs from Web pages are considered original documents.

The AHA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

File Documentation

The AHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the AHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

AHA Policy

The AHA will document, in the family file, the following:

- Reported family annual income
- Value of assets
- Expenses related to deductions from annual income
- Other factors influencing the adjusted income or income-based rent determination
- When the AHA is unable to obtain 3rd party verification, the AHA will document in the family file the reason that third-party verification was not available [24 CFR 960.259(c)(1); Notice PIH 2010-19].

UP-FRONT INCOME VERIFICATION (UIV)

Up-front income verification (UIV) refers to the AHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the AHA.

There may be legitimate differences between the information provided by the family and UIV generated information. If the family disputes the accuracy of UIV data, no adverse action can be taken until the AHA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the AHA.

RELEASE OF INFORMATION (24 CFR 5.230 (a), CFR 982.551 (b)

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form. In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

ITEMS TO BE VERIFIED (24 CFR 982.516)

- All income not specifically excluded by the regulations.
- Full-time student status including High School students who are 18 or over, and have income.
- Current Assets including assets disposed of for less than fair market value in the preceding two years.
- Child care expense where it allows a family member to be employed or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly of disabled.
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed. Can include disability expenses not covered by extraordinary medical expenses.
- Disability for determination of preferences, allowances, or deductions.
- U.S. Citizenship/eligible immigrant status.
- Social Security Numbers for all family members
- "Preference" status
- Familial/marital status when needed for head or spouse definition.
- Verification of Reduction in Benefits for Noncompliance:

The AHA will obtain written verification from the welfare agency stating that the participant's (*not applicant's*) benefits have been reduced for fraud or non-compliance *before* denying the family's request for rent reduction.

VERIFICATION OF INCOME (24 CFR 982.516)

24 CFR 5.233 requires the AHA to use EIV as a 3rd party source to verify tenant employment and income during all mandatory interim and reexaminations. The AHA must use EIV features to reduce administrative and subsidy payment errors.

EIV data is used to validate tenant-reported income and supplement tenant-provided documents. EIV data should not be used to calculate anticipated income, except as specified in HUD guidelines. When the tenant disputes the EIV data, the AHA must request written third party verification if the tenant is unable to provide acceptable documentation to support disputed information.

The AHA will compare EIV reported information to tenant-reported information. If there is no discrepancy, the AHA will use current tenant-provided documentation to calculate annual income. If there is a discrepancy, the AHA will obtain documentation from tenant and/or third party source, if necessary. The AHA will use the most current and reliable documentation to calculate annual income. PHAs are required to access the EIV system and obtain an Income Report for each household. The AHA is required to maintain the Income Report in the tenant file along with the form HUD-50058 and other supporting documentation to support income and rent determinations for all mandatory annual reexaminations of family income and composition. If the Income Report does not contain any employment and income information for the family, the PHA should attempt the next lower level verification technique, as noted in the chart below.

Level	Verification Technique	Ranking
6	**Upfront Income Verification (UIV)** using HUD's Enterprise Income verification (EIV) system (not available for income verification of applicants)	**Highest** (Mandatory)
5	**Upfront Income Verification (UIV)** using non-HUD system	**Highest** (Optional)
4	**Written Third Party Verification** Examples of acceptable tenant provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.	**High** (Mandatory to supplement EIV reported income sources and when EIV has no data; Mandatory for non-EIV reported income sources; Mandatory when tenant disputes EIV reported employment and income information **and** is unable to provide acceptable documentation to support dispute)
3	**Written Third Party Verification Form**	**Medium-Low** (Mandatory if written third party verification documents are not available or rejected by the PHA; and when the applicant or tenant is unable to provide acceptable documentation)
2	**Oral Third Party Verification**	**Low** (Mandatory if written third party verification is not available)
1	**Tenant Declaration**	**Low** (Use as a last resort when unable to obtain any type of third party verification)

Note: This verification hierarchy applies to income determinations for applicants and participants. However, EIV is not available for verifying income of applicants.

Welfare Payments or General Assistance:

Acceptable methods of verification include, in this order:

- AHA verification form completed by payment provider.
- Written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated Changes in payment in the next 12 months.
- Computer generated Notice of Action
- Computer generated list of recipients from Welfare Department.

Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

- Copy of separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- A notarized letter from the person paying the support.
- Copy of the latest check and/or payment stub from Court Trustee, AHA must record the date, amount, and number of the check.
- Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

Note: If payments are irregular, the family must provide:

- A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.
- A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.
- A notarized affidavit from the family indicating the amount(s) received.
- Welfare notice of action showing amounts received by the welfare agency for child support.
- Written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

In order to verify the net income from a business, the AHA will view IRS and financial documents from prior years and use this information for the next 12 months.

Acceptable methods of verification include:

- IRS Form 1040, including:
- Schedule C (Small Business)
- Schedule E (Rental Property Income) iii. Schedule F (Farm Income)
- If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense computed using straight-line depreciation rules.
- Audited or non-audited financial statement(s) of the business.
- Credit report or loan application.

- Documents such as manifests, appointment books, cashbooks, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
- Family's self-certification as to net income realized from the business during previous years.

Child Care Business

If an applicant/participant is operating a licensed day care business, income will be verified as with any other business.

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the AHA will require that the applicant/participant complete a form for each customer which indicates; name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

If the family has filed a tax return, the family will be required to provide it.

Recurring Gifts

The family must furnish a self-certification that contains the following information:

- The person who provides the gifts
- The value of the gifts
- The regularity (dates) of the gifts
- The purpose of the gifts

Zero Income Status

Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household. The AHA may run a credit report on families and household members claiming no income or if information is received that indicates the family has an unreported income source.

Full-time Student Status

Only the first $480 of the earned income of full time students, other than head, co-head, or spouse, will be counted towards family income. Financial aid, scholarships and grants received by full time students will be determined as sources of income as per regulation 24 CFR §5.609(b)(9).

Verification of full time student status includes:

- Written verification from the registrar's office or other school official.
- School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

INCOME FROM ASSETS (24 CFR 5.609 (b) (3))

Savings Account Interest Income and Dividends

Acceptable methods of verification include, in this order:

- Account statements, passbooks, certificates of deposit, or AHA verification forms completed by the financial institution.
- Broker's statements showing value of stocks and bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification.
- IRS Form 1099 from the financial institution provided that the AHA must adjust the information to project earnings expected for the next twelve months.

Interest Income from Mortgages or Similar Arrangements

Acceptable methods of verification include, in this order:

- A letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.)
- Amortization schedule showing interests for the 12 months following the effective date of the certification or reexamination.

Net Rental Income from Property Owned by Family

Acceptable methods of verification include, in this order:

- IRS Form 1040 with Schedule E (Rental Income).
- A copy of latest rent receipts, leases, or other documentation of rent amounts.
- Documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.
- Lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

VERIFICATION OF ASSETS

Family Assets

The AHA will require the information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash).

- Acceptable verification may include any of the following:
- Verification forms, letters, or documents from a financial institution or broker.
- Passbooks, checking accounts statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.

- Real estate tax statements if the approximate current market value can be deduced from assessment.
- Financial statements for business assets.
- Copies of closing documents showing the selling price and the distribution of the sales proceeds.
- Appraisals of personal property held as an investment.
- Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Reexamination

For all Certifications and Reexaminations, the AHA will obtain the Family's certification as to whether any member has disposed of assets for less than fair market value during the two years preceding the effective date of the certification or reexamination.

If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

Assets do not include personal property, interest in Indian Trust lands, or those assets not accessible by the family

VERIFICATION OF ALLOWABLE DEDUCTION FROM INCOME (24 CFR 5.61 (a)

Child Care Expenses

Written verification from the person who receives the payments is required. If the child care provider is an individual, s/he must provide a statement of the amount they are charging the family for their services. The expenses must be for the care of children under the age of 13.

Verifications must specify the child care provider's name, address, telephone number, social security number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods.

Family's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.

Medical Expenses

Families, who claim medical expenses will be required to submit a certification as to whether or not any expense payments have been, or will be, reimbursed by an outside source. All expense claims will be verified by one of more of the methods listed below:

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.

For attendant care:
A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes. Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

Receipts, canceled check, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months. Copies of payment agreements or most recent invoice that verify payments made in outstanding medical bills that will continue over all or part of the next 12 months.

Copies or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. AHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists. But, not for one-time, non-recurring expenses from the previous year.

The AHA will use mileage at the IRS rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities (24 CFR 5.611 (c))

In all cases:

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

- Family's certification as to whether they receive reimbursement from any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

- Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

- Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES:

Applicability

Proration of assistance must be offered to any "mixed" applicant or participant family. A "mixed" family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members.

Prorated Assistance Calculation

Prorated assistance is calculated be determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Calculations for each housing program are performed on the HUD 50058 form.

VERIFYING NON-FINANCIAL FACTORS

Verification of Legal Identity

In order to prevent program abuse, the AHA will require applicants to furnish verification of legal identity for all family members.

The documents listed below will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required. INS documentation is not needed if the person is 62 years of age or older.

- Certificate of Birth, naturalization papers
- Certified Church-issued baptismal certificate
- Current, valid Driver's license
- U.S. Military discharge (DD 214)
- U.S. Passport
- Voter registration
- Company/agency Identification Card
- Department of Motor Vehicles Identification Card
- Hospital records

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following:

- Certificate of Birth
- Adoption Papers
- Custody agreement
- Health and Human Services ID
- School records

If none of these documents can be provided, a third party who knows the person may, at the AHA's discretion, provide verification.

Verification of Marital Status

Note: This would be used to determine spouse for income and deduction and non-citizen purposes.

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.

Verification of marriage status is a marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

The following verifications will always be required if applicable:

- Verification of relationship:
- Official identification showing names
- Birth Certificates
- Baptismal Certificates
- Verification of guardianship
- Court ordered assignment
- Verification from social services agency
- School records

Verification of Permanent Absence of Family Member

If the family reports permanently absent an adult member who was formerly a member of the household, the AHA will consider any of the following as verification:

- Husband or wife institutes divorce action.
- Husband or wife institutes legal separation.

- Order of protection/restraining order obtained by one family member against another. · Proof of another home address, such as utility bills, canceled checks for rent, drivers' license, or lease or rental agreement, if available.
    - Statements from other agencies such as social services or a written statement from the property owner or manger that the adult family member is no longer living at that location.
    - If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.
    - If no other proof can be provided, the AHA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.

Verification of Change in Family Composition

The AHA may verify Changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, property owners, neighbors, credit data, school or DMV records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status (24 CFR 5)

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare his or her status once. Assistance cannot be delayed, denied, or terminated while verification of status pending except that assistance to applicants may be delayed while the AHA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

The AHA will require citizens to provide documentation of citizenship.
Acceptable documentation will include at least one of the following original documents:

- United States birth certificate
- United States passport
- Resident alien/registration card
- Social Security card
- Other appropriate documentation as determined by the AHA

Eligible immigrants who were participants and 62 or over on June 19, 1995,
All are required to sign a declaration of eligible immigration status and provide proof of age.

Non-Citizens with eligible immigration status
All must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The AHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the AHA must request within 10 days that the INS conduct a manual search.

Ineligible family members
All who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

Non-Citizen students on student visas
All are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

Failure to Provide.
If an applicant or participant family member fails to sign required declarations and consent forms or provide documents, as required they must be listed as an ineligible member. If the entire family fails to provide and sign as required, the family may be denied or terminated for failure to provide required information.

Time of Verification
For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, the AHA must conduct the determination.

Extensions of Time to Provide Documents
The AHA will grant an extension of time not to exceed 30 days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration
The regulations stipulate that **only** the following documents are acceptable unless changes are published in the Federal Register.

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)
- Arrival-Departure Record (I-94)

- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS or issuance of replacement of any of above documents that shows individuals' entitlement has been verified

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept five years.

If the AHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated for not less than 24 months. Unless the ineligible individual has already been considered in prorating the family's assistance.

Verification of Social Security Numbers (24 CFR 5.216)

Social Security numbers, certification of application for a Social Security number, or certification of no Social Security number are provided for all household members listed on the application. Individuals exempt from disclosure: Individuals who do not content to have eligible immigration status and or tenants age 62 + as of 1/31/2010 and or tenants who have previously disclosed a valid SSN.

Required documentation of Social Security Number includes a SSN Card issued by SSA; or an original document issued by Federal government agency (e.g. SSA, IRS, etc.); or State government agency. The document must contain the SSN of the individual; along with other identifying information (e.g. Unemployment office, Department of Social Services, Child Support Office, etc.). Head of Household is provided 90 days to provide such documentation of the SSN. The AHA may defer termination and extend time for an additional 90 days if unforeseen circumstances outside of the control of the Head of Household prevent timely disclosure of required documentation.

Medical Need for Larger Unit
A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

C.O.R.I /S.O.R.I
The AHA will obtain information on all adult members of the household under the applicable provisions of the Criminal Offender Record Information (CORI) and Sex Offender Record Information (SORI) regulations and in accordance with the AHA's CORI/SORI Policy. All members of the applicant household for which CORI/SORI will be sought will be notified in advance of this request.

VERIFICATION OF WAITING LIST PREFERENCES (24 CFR 982.207)

Local Preferences
Applicants claiming a Local Residency must provide a lease, a driver's license, or a utility bill with the applicant's name and address. The applicant must present verification demonstrating residence or employment in Amesbury on the date of the application or demonstrating residence in Amesbury at the time the applicant is called from the Waiting List. Either will qualify the applicant for local preference. The AHA will provide accommodation to persons with disabilities and allow them to provide other forms of verification.

In order to verify that an applicant is a resident, the AHA will require a minimum of three of the following documents: rent receipts, leases, utility bills, employer or agency records, school records, driver licenses, voters' registration records, credit reports, statement from household with whom the family is residing.

In the case of an applicant determined by the AHA to be homeless, the applicant may select one community for local preference, either in the community from which he or she was displaced through no fault of his/her own, or the community in which he/she is temporarily based. See 760 CMR 5.03, definition of local resident.

Domestic Violence Preference
Certification of domestic violence and/or displacement because of domestic violence referred to in 24 CFR 982.207, shall come from the local police department, social service agency, court of competent jurisdiction, or a clergyman, physician, or public or private facility that provides shelter or counseling to victims of domestic violence.

If approved for assistance, the applicant must certify that the person who engaged in such violence will not reside with the applicant family unless the AHA has given advance written approval. The AHA may deny or terminate assistance to the family for breach of this certification.

Veterans Preferences

This preference is available to current member of the U.S. military Armed Forces, veterans, or surviving spouses of veterans.

The AHA will require U.S. government documents that indicate that the applicant qualifies under the above definition.

Income Targeting

In accordance with the Quality Housing and Work Responsibility Act of 1998, each fiscal year the AHA will reserve a minimum of seventy-five percent of its Section 8 new admissions for families whose income does not exceed 30 percent of the area median income. HUD refers to these families as "extremely low income families". The AHA will admit families who qualify under the Extremely Low-Income limit to meet the income-targeting requirement, regardless of preference.

The AHA's income targeting requirement does not apply to low income families continuously assisted as provided for under the 1937 Housing Act.

2. CALCULATION OF THE TOTAL TENANT PAYMENT

Determination of TTP will be made using the requirements of 24 CFR 5.628.

a. **Annual Income**

The gross amount of income anticipated being received by the family during the 12 months after certification or reexamination. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income that has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

b. **Assets**

- If net family assets are $5,000 or less, the AHA will count as income the actual income earned from all assets.

- If net family assets exceed $5,000, the AHA will count as income the greater of the actual income from assets or the amount the family would have received if all assets had been invested at the current passbook rate.

In determining net family assets, the AHA will include the value of any assets disposed of by an applicant for less than fair market value during the two years preceding the date of certification or reexamination in excess of the consideration received therefore. This will include disposition in trust, but not in a foreclosure or bankruptcy sale. If disposition of assets is part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if other important, although non-monetary, consideration is received.

Assets do not include personal property, interest in Indian Trust lands, or those assets not accessible by the family.

c. Allowances

HUD has five allowable deductions from Annual Income:

Dependent Allowance: $480 **each** for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled. The head of household, spouse or foster children may *not* qualify as dependents.

Elderly/Disabled Allowance: $400 **per family** for families whose head or spouse is 62 or over or disabled.

Medical Expenses Allowed: Those total medical expenses, including medical insurance premiums that are anticipated during the period for which Annual Income is computed and that are not covered by insurance. *A deduction for elderly/disabled households only*. These allowances are given when calculating adjusted income for medical expenses in excess of 3% of annual income. Medical expenses for every member of the elderly household may be included.

Child care expenses anticipated being paid for the care of children under 13 years, where the care is necessary for a family member to be gainfully employed or to further his/her education. The amount deducted will be reasonable and will not exceed the amount of income from such employment.

Handicapped assistance expenses for care attendants or auxiliary apparatus in excess of 3% of annual income when such expenses are necessary to enable a family member (including the handicapped member) to be gainfully employed. These expenses include medical expenses that are not included in the medical expenses deduction, such as, for example, where the person with disabilities is not the head of household. The amount deducted will not exceed the amount of income from such employment. If a family has *both medical expenses and handicap* assistance expenses, 3 percent of annual income must be deducted from the handicapped assistance expenses first.

d. **Allowances for Utilities and Other Services**

The AHA has established utility allowance schedules for those cities and towns in which the AHA administers a subsidy. The AHA reviews the allowance schedule at least annually to determine if substantial Changes in the cost of utilities warrant an adjustment in the schedule, as specified in 24 CFR 5.603. Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination after the allowance is implemented and/or adopted.

As per regulation 24 CFR §982.517 requires PHA's to use the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the family or the voucher size issued, as determined under the PHA subsidy standards

The AHA may be required to approve a higher utility allowance pursuant to a reasonable accommodation request made by a family that includes an individual with disabilities, if needed to enable the individual family member with a disability to continue to reside in an accessible unit.

The AHA maintains records of the data and results for each review. Certain expenses can be adjusted based upon reasonable accommodation, such as higher usage of electricity due to a disability.

e. **Minimum Rent**

The AHA adopted a minimum rent of $50 effective January 1, 2004. The AHA will grant exemptions from the minimum rent requirement to any family in it is determined that the family is unable to pay the amount due to financial hardship, unless the hardship is temporary. Financial hardship includes circumstances in which families:

- Have lost eligibility or are waiting an eligibility determination for a federal, state or local assistance program. Including a family having a non- citizen household member lawfully admitted for permanent residence and who would be entitled to public benefits but for Title IVB of the Personal Responsibility and Work Opportunity Act of 1996;
- Would be evicted as a result of imposing the minimum rent requirement;
- Experience income decreases because of Changed circumstances including the loss of employment;
- Have a death in the family; or
- Have other circumstances as determined by the AHA or HUD.

If a family requests a hardship exemption, the AHA must suspend the minimum rent charge and adjust the HAP payment effective on the first of the month following the change in the family's circumstances. The AHA may request documentation of the hardship and must determine promptly if the hardship is temporary or long term.

If the hardship is determined to be temporary, the minimum rent is suspended for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent is reinstated retroactively to the date of suspension. The AHA must offer to execute a reasonable repayment agreement to cover the minimum rent charges accumulated during the suspension period. Hardship determinations are subject to the AHA's informal hearing process.

3. BRIEFING OF FAMILIES AND ISSUING OF VOUCHERS

Upon selection, the Head(s) of Household will be scheduled for a mandatory Briefing Session. A household may bring an individual who is not a household member to assist in translation or interpretation of the information provided. Individuals with a disability may have another individual attend the Briefing Session on their behalf *if and only if* the individual provides documentation of their inability to attend and provides the name in writing of the individual who will attend the session in their place.

The documents and information provided in the briefing packet for the Voucher program will comply with all HUD requirements. The AHA also includes other information and/or materials, which are not required by HUD.

The family is provided with the following information and materials:

- The term of the Voucher, and the AHA policy for requesting extension or suspensions of the voucher (referred to as tolling).
- A description of the method used to calculate the housing assistance payment for a family, including how the AHA determines the payment standard for a family; how the AHA determines total tenant payment for a family and information on the payment standard and utility allowance schedule. How the AHA determines the maximum allowable rent for an assisted unit. Including the rent reasonableness standard.
- Where the family may lease a unit. For family that qualifies to lease a unit outside the AHA jurisdiction under portability procedures, the information must include an explanation of how portability works.
- The HUD required tenancy addendum, which must be included in the lease.
- The Request for Tenancy Approval form, and a description of the procedure for requesting approval for a unit.
- A statement of the AHA policy on providing information about families to prospective owners.
- The AHA Occupancy Standards including when and how exceptions are made.
- The HUD brochure on how to select a unit and/or the HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS. · The HUD brochure on lead-based paint.
- Information on Federal, State and local equal opportunity laws and a copy of the housing discrimination complaint form.
- A list of property owners or other parties willing to lease to assisted families or help in search. The list includes property owners or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.
- If the family includes a person with disabilities, notice that the AHA will provide a list of available accessible units known to the AHA.
- The family obligations under the program.

- The grounds on which the AHA may terminate assistance for a participant family because of family action or failure to act.
- AHA informal hearing procedures including when the AHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
- EIV brochure and Debts Owed Notification

Based on SEMAP Requirements these additional items for the Briefing Packet may be included:

- Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families, who move under portability.
- A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families. · Information regarding the AHA's outreach program that assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.
- A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration.

The AHA may also include any of the following informational tools in the briefing packet:

- Good housekeeping tips
- How to look for an apartment
- Record of contracts required to rent a unit
- Watch out for lead paint
- Sample inspection form
- Security deposit handouts
- Tenant integrity program
- Discrimination complaint form (English and Spanish)
- Certificate of family participation
- Section 8 lease

If the family includes a person with disabilities, the AHA will ensure compliance with 24 CFR 8.6 to ensure effective communication. Families will be briefed of their rights under the Voucher program to move anywhere in the country. Voucher holders will receive information on Equal Opportunity and Fair Housing Laws. Handout material and discussion will provide this. Procedures to be taken when housing discrimination is encountered will be discussed during these sessions. Families will be given information on where and how to file a discrimination complaint and will be encouraged to immediately notify the AHA if they encounter discrimination.

The initial term of the Voucher is 120 days. Recipients will be asked, but are not required, to maintain a record of their housing searches with comments as to why

particular units were not selected. Families will be asked to contact their Program Representative at the thirty, sixty and ninety day points in their housing search. At each conversation, the Program Representative will review with the family the efforts it has made to find a suitable dwelling unit and problems it has encountered.

The 120-day period will "toll" if the household in housing search has submitted a unit for tenancy approval. A household may submit one or more tenancy approval requests at the same time. The household must request that the "freeze" on the 120-day period be implemented by contacting their Section 8 Program Representative either by telephone or in person. Automatic extensions to the 120-day search time will be granted with appropriate documentation for reasons including reasonable accommodation.

Suspensions may be granted for the following reasons:

- a lead inspection or de-leading is pending a family member becomes temporarily confined to a hospital, nursing home, etc.
- the family is detained pending trial;
- the family is admitted to drug rehab or other rehab program
- any other situation that is beyond the family's ability to control, and prevents the family from conducting a housing search.

Failure to submit the RFTA within the period stated or other delays in asking for tenancy approval may keep the clock tolling for housing search, and no retroactive freeze will be implemented.

General assistance to families during the period between issuance of the Voucher and the approval and execution of the lease includes maintaining listings of available rentals provided by property owners, and the availability of Program Representative for personal or telephone conferences to clarify any questions that may have developed since issuance of the Voucher. Where possible and effective, additional assistance will be provided to large families and minorities.

4. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

At the briefing, families are encouraged to search for housing in non-impacted areas and the AHA will provide assistance to families who wish to do so.

The AHA has maps that show various areas and information about facilities and services in neighboring areas such as schools, transportation, and supportive and social services.

SECTION C - INSPECTIONS

Any unit occupied by a family assisted through the Section 8 program must comply with the HUD issued Housing Quality Standards (HQS) and with provisions of the State Sanitary Code. These standards will be the minimum requirements for housing conditions. The AHA may request or negotiate for conditions which exceed those standards provided such requests are reasonable and commensurate with the contract rent set for the unit.

Supervisory personnel who have not been involved in routine inspections will monitor the quality of AHA inspections including rent reasonableness determinations by conducting quality control inspections of all initial and annual inspections performed each year.

The 2014 Omnibus Appropriations Bill HR 3547 makes statutory Changes to the Section 8 Program. The AHA proposes policy changes in the Section 8 Administrative plan effective January 1, 2015 based on language contained in the omnibus bill, as follows: Performing biennial, instead of annual, Housing Quality Standards (HQS) inspections of units occupied by tenants receiving voucher assistance, and accepting and approving inspection criteria required for conducting similar inspections for other assisted housing programs, such as HOME or the Low-Income Housing Tax Credit program, as alternative inspection methods to HQS.

Initial Inspections

As a condition of the Authority executing a HAP Agreement with a property owner, an AHA Inspector, prior to lease approval, must inspect the unit. The property owner must request this inspection and have submitted the following information.

When submitting a request for an inspection by a AHA Housing Inspector, the property owner must submit a Request for Lease Approval and a copy of the proposed lease, a Certificate of Occupancy, a completed W-9, the rent comparison sheet, and the de-leading certificate (if applicable), at which time an appointment will be made for an inspection by a AHA Housing Inspector.

The property owner will be responsible for arranging an inspection by the Amesbury Board of Health and for forwarding a copy of the city's Certificate of Occupancy to the Authority before the AHA will enter into a HAP contract.

Biennial Inspections

Biennial renewal inspections MAY be performed between 90 days and 120 days prior to the lease anniversary date. The owner of the property must complete the necessary repairs to correct the cited violations of program requirements within 30

days of notification from AHA. It is the owner's responsibility to contact the AHA inspectors directly to schedule re-inspections and/or verify repairs have been made.

If violations have not been repaired by the owner within the 30 days deadline, the inspector will assess the situation and will either grant an extension of time without subsidy payments being interrupted, or will immediately suspend HAP subsidy payments to the owner, with no resumption of payment until the repairs are satisfactorily completed. Any owner requesting an extension must have a legitimate need for more time and the extension must be requested in writing. If the required work is not completed satisfactorily after a no penalty extension has been given, the HAP subsidy will be suspended effective immediately and will resume only when repairs have been satisfactorily completed. Although the HAP payment is suspended immediately, a 30-day notice of intent to terminate the HAP contract for non-compliance is recommended to alert the family to the impending condition of being "on-the-clock".

No retroactive payments will be made for any period of time in which the HAP subsidy has been suspended. The Amesbury Housing Authority may resume payments only as of the date the unit passes inspection, or the date the Amesbury Housing Authority can verify repairs have been made. Verification that the deficiencies are corrected may be done by means other than a re-inspection. The AHA may accept the owner's certification, vendor receipt, photo of the repair or tenant confirmation that required repairs are complete and then verify that action at the next on-site inspection.

Any serious deficiencies that present an immediate threat to the health or safety of the household must be corrected within twenty-four hours. In these instances, the owner or agent will be contacted by phone and informed of the 24-hour deadline. This will also be followed-up in writing. The unit will then be re-inspected, or verified as outlined above, by AHA inspection staff on the next business day following the 24-hour correction period. If the deficiencies have not been corrected, both owner and tenant will be informed that HAP subsidy will be suspended immediately and HAP subsidy will not be paid again until repairs have been completed. If repairs are not completed within 10 days after owner has been notified of 24-hour violations, AHA will then take the necessary steps to begin termination of the HAP Contract.

Interim Inspections

AHA may conduct an inspection of any unit upon the request of a tenant to ensure that the dwelling unit is in full compliance with all codes and housing quality standards, and to determine whether the owner is complying with all lease and HAP contract obligations. If a determination is made that the owner is not in compliance with the lease or HAP contract, the AHA may suspend rental subsidy payments to the owner, abate rent, terminate the HAP contract, or seek legal remedies. If the AHA

terminates the HAP contract with the owner, the AHA may issue the family another Voucher.

Lead Paint Non-Compliance

When an assisted family includes a child up to six years old, the property owner is responsible for providing the Authority with a Certificate of Compliance with state and federal lead-based paint removal laws. The Certificate of Compliance can be obtained from a certified de-leader or from the Board of Health. Assistance cannot be paid for units occupied by children up to six years of age unless there is a certificate of lead paint compliance on file at the Authority.

If a unit already in the program which had not previously housed a child up to six years old and the owner is now requesting lease approval for a family with a child of that age or younger on the lease, the owner must submit a Certificate of Compliance within 90 days or by the contract renewal date, whichever comes first. If the owner does not provide the required Certificate of Compliance within this prescribed time frame, AHA may choose to hold or abate rent, or to suspend or terminate the HAP contract.

SECTION D. LEASE APPROVAL AND CONTRACT EXECUTION

The applicant and owner must submit a Request for Tenancy Lease Approval (RFTA) and a copy of the lease to the AHA prior to approval of a rental subsidy. If the Authority determines that all applicable program requirements have been met with respect to the Request for Tenancy Approval, the Authority will notify the owner and the applicant, compute the share payable by the Authority, complete HAP Contract for the Voucher, prepare the addendum to the lease. If requested by the owner, the Authority will provide a model lease that is consistent with all HUD requirements.

An owner provided lease must address all provisions required by HUD, as described in 24 CFR 982.308, 24 CFR 982.309 Terms of Assisted Tenancy, and 24 CFR 982.310, Owner Termination of Tenancy.

If the Authority determines that the Lease cannot be approved for any reason, including the condition of the unit, the Authority will notify the owner and the household (1) of the reasons that the lease was disapproved and (2) that if conditions requiring disapproval are corrected by the owner, another Request for Tenancy Approval may be submitted by the owner and household within sixty (60) days. If the Request for Tenancy Approval is rejected for some reason other than the substandard condition of the property, there is the possibility of retroactive approval, up to the 60-day maximum allowed by HUD regulations, as long as the retroactivity is not prior to the date the unit passed inspection. The Authority may approve the subsequent Request for Tenancy Approval if the conditions have been satisfactorily corrected.

1. RENT REASONABLENESS METHODOLOGY; 982.507

How Market Data is Collected:

AHA Policy

The AHA will collect data by means of obtaining 2 to 3 rent comparables by utilizing the local newspaper, Craig's List, Affordable Housing Network, LLC, d/b/a GoSection8.com and or any other acceptable resources The AHA will collect data by zip codes. The data will be updated on an ongoing basis.

Owner Certification

Property Owners will be required to certify rent reasonableness. Owners will also be required to submit a current rent roll and copy of existing leases certifying un-assisted units for the same unit size and/or any other documentation that will certify un-assisted units rents for the Authority to determine rent reasonableness.

How Rents are Determined

AHA Policy

The rent for a unit proposed for HCV assistance will be compared to the rent charged for comparable units in the same market area. The AHA will develop a range of prices for comparable units by bedroom size within defined market areas. Units proposed for HCV assistance will be compared to the units within this rent range. Because units may be similar, but not exactly like the unit proposed for HCV assistance, the AHA may make adjustments to the range of prices to account for these differences. The adjustment must reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas).

The AHA uses a unit-to-unit comparison, by which the rent for a unit proposed for HCV assistance is directly compared to the rents for three* unassisted units selected as comparables within the same market area. Geocoded maps will be used to identify the non-assisted units in closest proximity to the subject unit, and unit data information will be used to select the most similar units. AHA will initially use a one mile radius in obtaining the closest proximity without going over city/town boundaries.

In comparing rents, the AHA will take into account critical market factors that impact rent, including the location, quality, size, unit type, and age of the contract unit, as well as any amenities, housing services, maintenance and utilities to be provided by the owner in accordance with the lease.

Where comparable units differ from the unit proposed for HCV assistance, the AHA will determine whether those differences impact rent. Where they do, the AHA will adjust the rental value of the comparable units, up or down, based on the market value of these factors. The rent for the unit proposed for HCV assistance will be compared to the adjusted rents for the comparable units, enabling a fair, accurate, market-based determination of rent reasonableness.

Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three bedroom unit than in a two-bedroom). The adjustment must reflect the rental value of the difference – not its construction costs (e.g., it might cost $20,000 to put on a new roof, but the new roof might not make any difference in what a tenant would be willing to pay because rents units are presumed to have functioning roofs). When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of $500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows: $500 x 11 months = 5500/12 months = actual monthly rent of $488.

The AHA will notify the owner of the rent the AHA can approve based upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. The AHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 5 business

days of the AHA's request for information or the owner's request to submit information. The owner has the option of revising the amenities within 5 business days.

The AHA will provide an optional Request for Tenancy Approval Addendum with all Request for Tenancy Approvals. This Addendum will allow the owner to provide additional information on the property that will be used during Rent Reasonableness Certification for a more accurate comparability.

In the case of a single family home, two comparables will be considered sufficient.

2. APPLICANT INFORMATION AVAILABLE TO OWNER

Owners are responsible for screening applicants for their units as to their suitability. To assist the property owner in the conduct of applicant screening, the only information the AHA will release under this narrow exception (24 CFR 982.307) is:

- The tenant family's current address
- Name and address of the current property owner
- Name and address of the previous property owner

Requests must be made in writing.

The AHA will not provide any additional information from its confidential records regarding the applicant household. However, the AHA will assist property owners, when requested, in determining where to obtain public information, which helps the property owner to investigate the household.

The information can only be released to a person who is a prospective property owner of a unit that the Section 8 tenant wishes to rent. The information may also be provided to a person who is authorized by the prospective property owner to screen tenants and/or lease the unit. The information is not to be given to the current property owner (unless the tenant desires to move to another unit owned by the same person). Nor is the information to be provided to other third parties.

In general, caution must be exercised as to insure that only those persons who are rightfully entitled to the information receive it.

3. PAYMENTS TO OWNERS

The AHVP Administrator maintains the Housing Assistance Payments (HAP) register on the computer. The register contains information regarding bedroom size; identification of household composition, property owner name and lease dates, as well as contract rents, housing assistance payments and utility allowances.

HAP payments may be electronically deposited to landlord accounts or mailed to the owner no later than the last business day of the month.

In instances where an owner has failed within the required time to respond to notification of any HQS or sanitary code violations within a unit the AHA will suspend all HAP payments due the owner until the unit passes inspection. No retroactive payments will be made covering the time the unit was in non-compliance. The HAP payments will commence only from the date it passes inspection. There is no appeal process for owners when the Authority exercises its right under the contract to abate payments or cancel a contract. If a HAP Payment is not issued for six (6) months the HAP Contract is automatically terminated.

4. DISAPPROVAL OF OWNERS

1. Mandatory Denial

The Amesbury Housing Authority will not approve a unit if it has been informed, by HUD or otherwise, that the owner is debarred, suspended, or subject to limited denial of participation under 24 CFR part 24.

When directed by HUD, the Amesbury Housing Authority will not approve a unit if the Federal Government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other Federal Equal Opportunity Requirements and such action is pending.

When directed by HUD, the Amesbury Housing Authority will not approve a unit if a court or administrative agency has determined that the owner violated the Fair Housing Act or other Federal Equal Opportunity Requirements.

The Amesbury Housing Authority must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless the Amesbury Housing Authority determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities.

2. Discretionary Denial

The Amesbury Housing Authority may deny approval to lease a unit from an owner for any of the following reasons:

- The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f).
- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal Housing Program.
- The owner has engaged in any drug related criminal activity or any violent criminal activity.
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 Assistance or leased under any other federal housing program.

- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
    - threatens the right to peaceful enjoyment of the premises by other residents;
    - threatens the health and safety of other residents, of employees of the Amesbury Housing Authority, or of owner employees or other persons engaged in management of the housing;
    - threatens the health or safety of or the right to peaceful enjoyment of their residency by persons residing in the immediate vicinity of the premises; or
    - engages in drug related criminal activity or violent criminal activity.
- The owner has a history or practice of renting units that fail to meet state or local codes.

- The owner has not paid State or local real estate taxes, fines or assessments.

- Any other reason set forth in HUD regulation or other applicable law for denial of approval of an Owner.

For purposes of this section "owner" includes principal or other interested party. Nothing in this section of the Administrative Plan is intended to give any owner any right to participate in the program.

SECTION E. ONGOING PROGRAM REQUIREMENTS

Each program participant will be assigned to an AHA staff member who will be available to assist the family with any information needs or special problems that may arise. Families will be instructed to contact owners to obtain necessary maintenance and repairs but will be informed that any failure of the owner to respond adequately should be reported to the staff representative who will arrange for an interim compliance inspection if required. When appropriate, the AHA refers participating families with problems beyond the scope of the AHA to local service agencies and organizations. At annual reexamination interviews, participating families are informed of applicable Changes in the Section 8 program. When necessary, special notices regarding program Changes may be mailed to program participants.

1. **ANNUAL INSPECTIONS**

   Each unit leased under the Section 8 program will be re-inspected at least once annually. Annual inspection will be made approximately 90 days prior to the termination of the HAP contract in order that the owner may have time to correct any deficiencies, and sign a new contract before the existing contract expires.

2. **ANNUAL RENT INCREASES**

   Annual rent increases for the Section 8 Housing Choice Voucher Programs are determined by application of rent-reasonableness guidelines.

   Annual rent increases for any unit in a Section 8 Program must be requested in writing 60 days prior to the lease anniversary date for consideration by the Authority.

3. **ANNUAL REEXAMINATION OF FAMILY INCOME**

   Approximately 120 days before the anniversary date of the family's lease agreement, the family will be notified that the materials for the purpose of re-certifying family income, allowances and household composition are due at the AHA office no later than 30 days hence.

   At the reexamination interview the family is required to report full information on income, assets, expenses and household composition. Information reported in this interview is verified in the same manner as at the initial certification. Calculation of the total tenant rent is completed within 31 days prior to the anniversary date of the lease and the family is given 30 days- notice of any rent increase.

   After reexamination of the family is completed, a notice will be sent of the new tenant share of rent.

4. INTERIM REEXAMINATIONS OF FAMILY INCOME; 982.16(b)

In any instance that a family reports no income, or income through unemployment benefits or circumstances which prevent a projection of the family's annual income with any reasonable degree of accuracy, the AHA may require the family to return for a reexamination interview after such 90 days. Failure to attend an interview for interim reexamination or to provide the information required for interim reexamination might result in the suspension of Section 8 assistance.

Families are required to notify the AHA in writing of any increase or decrease in income within thirty (30) days of the Changes. Changes in family composition that may occur between regularly scheduled reexaminations also need to be reported to make certain that the unit size remains consistent with the household size and that the correct subsidy level is provided.

Rent decreases resulting from an interim reexamination will be effective on the first day of the month following the notification to AHA of the family's reduction of income after verification of income Change. Families will be given a 30-day notice of any rent increase resulting from an interim reexamination.

5. STREAMLINED ANNUAL REEXAMINATION FOR FIXED SOURCES OF INCOME

After the first year, families with a verified fixed source of income (social security, SSI, SSDI, federal/state, local or private pensions, retirement funds or other fixed sources of income) may have their annual reexamination made by applying a verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a public source or from tenant-provided, third party generate documentation. In the absence of such verification for any source of fixed income, third party verification of income amounts must be obtained.

This provision is not available for program applicants in the initial year in which a streamlined income determination is made, the COLA must be applied to a source of income that has been verified previously.

6. EARNED INCOME DISREGARD

Families with an increase in annual income may be eligible to receive the benefit of the earned income disregard as per 24 CFR §§5.617,960.255.

5. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The AHA will not reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

- Fraud; or
- Failure to participate in an economic self-sufficiency program; or
- Noncompliance with a work activities requirement

However, the AHA in accordance with 24 CFR 5.615(b), will reduce the rent if the welfare assistance reduction is a result of:

- The expiration of durational time limit on receiving benefits; or
- The expiration of lifetime time limit
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment

The AHA will notify affected families that they have the right to an informal hearing regarding these requirements.

The AHA and the local welfare agency have mutually agreed to exchange information regarding any economic self-sufficiency and/or other appropriate programs or services that would benefit Section 8 tenant-based assistance families.

SECTION F. TERMINATIONS

A. Termination of Assistance - 982.552

1. The Definition of Termination of Assistance is found in sections 982.552. A PHA may terminate assistance for a participant because of the family's action or failure to act as described in this section 982.552 or Section 982.553. (Crimes by family members). The provisions of this section do not affect termination of assistance for grounds other than action or failure to act by the family. Termination of assistance for a participant may include any or all of the following: refusing to enter into a HAP contract or approve a lease, terminating HAP under an outstanding HAP contract, and refusing to process or provide assistance under portability procedures. This section does not limit or affect exercise of the AHA rights and remedies against the owner under the HAP contract, including termination, suspension or reduction of housing assistance payments, or termination of the HAP contract.

2. Mandatory Grounds for Termination - 982.552(b)

The Amesbury Housing Authority must terminate assistance for a participant for any of the following grounds:

- A family was or is evicted from housing assisted under the program for serious violation of the lease.

- Any member of the family fails to sign and submit consent forms for obtaining information on family status as part of any examination conducted by the AHA.

- The applicant or any member of the family fails to sign and submit required forms (such as the authorization for release of information or declaration of citizenship and non-citizen status. Refusal to sign a citizenship form or declaration of eligible noncitizen status by some family members is not grounds for termination as long as at least one family member does have citizenship or eligible non-citizen status.)

- The family is under contract and 180 days have elapsed since the AHA's last housing assistance payment was made.

- If any household member has been convicted for manufacture or production of methamphetamine on the premises of federally assisted housing.

- The AHA determines that the family or any household member is currently engaging in illegal use of a drug.

- The AHA has determined that a household member's illegal drug use or a pattern of illegal drug use interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

- The AHA has determined that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety or right to peaceful enjoyment of the premises by other residents.

- The AHA has determined that a household member has violated the family obligation under 982.551 not to engage in drug-related criminal activity.

- The AHA has determined that a household member has violated the family obligations under 982.551 not to engage in violent criminal activity.

3. Discretionary Grounds for Termination – 982.552 (c)
The Amesbury Housing Authority may terminate program assistance for participants based upon the following grounds:

- The family violates any family obligations under the program as set forth in 982.551;

- The family has violated any family obligations under the Section 8 Program;

- The family has misrepresented any fact or information during the Section 8 application process which, if disclosed at the time of the application, would have constituted grounds for denial of the application;

- A Housing Authority has terminated assistance under the Section 8 Program for any member of the family;

- If any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal Housing Program;

- The family currently owes rent or other amounts to the AMESBURY Housing Authority or another Housing Authority in connection with Section 8 or federal Public Housing Program.

- If the family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit or other amounts owed by the family under the lease;

- If the family breaches an agreement with the Amesbury Housing Authority to pay amounts owed to a HA, or amounts paid to an owner by a HA;

- If the family has engaged in or threatened abusive or violent behavior towards the personnel of the Amesbury Housing Authority or another Housing Authority's personnel;

- The family misrepresents income, household members, or any other significant or required information on the application or reexamination;

- Failure to allow inspection of the dwelling unit proposed for Housing Assistance;

- Destruction or damage to the dwelling unit or creating and maintaining a significant health and safety hazard in or about the unit.

- Any of the other grounds for termination or denial as set forth in 24 CFR 982.552 or 982.553.

- Violation of family obligations or destruction of a previously occupied unit under a federal housing program.

- Sexual harassment of a housing authority employee.

- Failure or refusal to sign and submit consent forms for obtaining information in accordance with applicable federal regulations, including 24 CRF part 5 relating to evidence of citizenship or eligible immigration status, and any other information (including but not limited to social security numbers) which the QHA is authorized to requestor obtain.

- Failure to report to the AHA any changes in family composition or status as may be required by 24 CFR 982.551 or other HUD regulation or this plan, and/or failure to comply with annual reexamination including verification of all income, assets, family composition, or other required documentation.

- Family violation of the AHA policy on absence from the unit.

- If any member of the family commits violent or drug related criminal activity.

- Any family member has been engaged in criminal activity or alcohol abuse as described in 982.553(a)(1)

- If a welfare to work family fails, willfully and persistently, to fulfill its obligations under the welfare –to-work voucher program.

The AHA may terminate assistance for criminal activity by a household member if the AHA determines, based upon a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

SECTION G - FAMILY MOVES

If a participating family wishes to move to a new unit, the family must request another Voucher.

If a family wishes to move after the first year of the lease, the family is required to give the property owner not less than 30 day calendar months written notice sent by mail, or hand delivered to the property owner with the his/her acknowledgment of receipt on a copy of the notice. A copy of that notice and/or postage receipt must be provided to the AHA.

Form letters are available to tenants if they need this assistance.

If the family wishes to move before the first year's lease expires, or if the family wants to move with less than 30 days' notice, the family and property owner must sign a mutual termination with an agreed upon date to terminate the assisted lease. These forms must be on file in the Section 8 Program office, signed by both parties, before a new Voucher can be issued.

If a family gives notice of its intention to move and does not vacate the unit by the specified termination date, the property owner and tenant must request that the Lease and HAP Contract be reinstated.

Mobility/Portability of Section 8 Vouchers

Mobility and Portability under the Section 8 Voucher Programs establishes procedures to be used in this program when a family desires to stay on the program but wishes to move outside the
Authority's jurisdiction. In Massachusetts, the jurisdictional area of the Authority is not specifically limited under the enabling statute to the City of AMESBURY. However, for practical reasons the Authority considers AMESBURY to be its primary jurisdictional area.

A household is eligible for Mobility/Portability if it is a current participant in the initiating Authority's Section 8 Voucher program.

If the family is going to move to another jurisdiction under the Mobility/Portability provisions and the AHA is willing to release administration of the subsidy, the Authority will notify the receiving agency to expect the family. The AHA will verify to the receiving agency that the family meets the income eligibility requirements for admission to the program and that the AHA has issued a Voucher consistent with CFR 982.302. The AHA will also indicate the date by which the family submits a Request for Tenancy Approval (RFTA) in the jurisdiction of the receiving housing authority.

When the family moves out of the AHA's jurisdiction, the Authority retains funding for the Voucher under its Annual Contributions Contract. The Initiating Housing Authority is the agency issuing the Voucher to an eligible applicant.

The Receiving Housing Authority is the agency in the jurisdiction to which a participant family has found a unit and wishes to move. The Mobility/Portability feature promotes moves of Voucher holders to non-Certificate or Voucher jurisdictions by encouraging housing authorities with voucher programs to participate on a voluntary basis.

Responsibilities and Rights of the Initiating Housing Authority

- Manage the Section 8 Program in such a way as to maintain the financial ability to provide continued assistance in accordance with the portability procedures.

- Determine the income eligibility of the applicant/participant for the Housing Voucher Program.

- Forward to the Receiving Housing Authority copies of applications, verification of income and assets, and any other pertinent material to assist that agency's execution of leases within their jurisdiction on behalf of the participant.

- Reimburse the Receiving Housing Authority for the full amount of Housing Assistance Payments made by the Receiving Housing Authority on behalf of the family. For the Voucher Program, the amount of housing assistance will be based on the applicable payment standard in effect at the Receiving Housing Authority. The gross rent will be based on the local Fair Market Rent subject to rent reasonableness. If the Receiving Housing Authority elects to provide assistance to the family using funding under its own ACC, the Initiating Housing Authority is not required to reimburse the Receiving Housing Authority.

The AHA will reimburse the Receiving Housing Authority 80% of the Amesbury Housing Authority's Administrative Fee for each unit month the family is under a HAP Contract in the Receiving Housing Authority's jurisdiction.

Responsibilities and Rights of the Receiving Housing Authority

A Receiving Housing Authority may:

- refer the Initiating Housing Authority to a statewide or other Authority that administers a Voucher Program in its jurisdiction;

- administer the Housing Voucher assistance on behalf of the family and bill the AHA for amounts authorized by the program;

- issue a Voucher to the family using funding under the ACC for its own voucher program.

If the Receiving Housing Authority elects to provide program administration, it assumes the following responsibilities and rights:

To recertify the family's income initially and at least annually thereafter for the purposes of determining the housing assistance payments. The Receiving Housing Authority will not

deny the household a Voucher on the grounds that the family's income exceeds the income limits for housing eligibility in the Receiving Authority's jurisdiction.

Notify the AHA promptly if a family fails to submit a Request for Lease Approval by the date specified by the Amesbury Housing Authority.

Determine the amount of Housing Assistance Payments to be made on behalf of the family. A non-housing Voucher Authority will use a payment standard based on the appropriate Fair Market Rent for the Receiving Housing Authority as the Applicable Payment Standard.

Perform all functions normally associated with providing assistance to a family in a Voucher program, including lease approval, annual reexamination of income and annual inspection of unit.

Bill the AHA for an amount up to 80% of the AMESBURY Housing Authority's administrative Fee, unless it elects to provide assistance to the family using funding under the ACC for its own Section 8 Program.

Responsible for payments it makes on behalf of the family to the owner in its jurisdiction. In cases where the Receiving Authority does not elect to provide assistance to the family using funding under the ACC for its own programs, the Receiving Authority bills the AMESBURY Housing Authority for the amount of Housing Assistance Payments.

Promptly notify the AHA if the family ceases to be a current participant in the AHA's Section 8 Program.

A family may move more than once using the Mobility/portability Procedures.

FAMILY BREAK-UP: 982.315

In the event that a household is dissolving through divorce or legal separation and more than one head of household is indicated in the AHA's records, the AHA is bound by the court's determinations if a court determines the disposition of property between members of the assisted family in a divorces or separation. When no such court determination is made, the AHA shall determine which members of an assisted family will continue to receive assistance if an assisted family breaks up. When the Authority must make a decision the following criteria will be considered:

- Which head of household has been granted legal and/or physical custody of any children
- The impact on any ill, elderly or disabled family member;
- If domestic abuse is part of the reasons for the dissolution of the relationship;
- Which head of household is remaining in the current unit; and

- Any information, which appears to provide sufficient grounds for a determination.

AUTOMATIC TERMINATION OF THE HAP CONTRACT

The contract with the owner will terminate automatically in the following situations:

- The family vacates the unit in violation of the lease *and* any applicable vacancy period for which the owner may be eligible for compensation has ended.

- The AHA has verified the family has moved from the unit according to the lease terms, or secured the permission of the owner for an early termination date, and the lease term has therefore ended.

- The owner has evicted the family for serious or repeated violations of the terms and conditions of the lease, violation of applicable federal, state, or local laws, or other good cause, and any applicable vacancy period for which the owner may be eligible for compensation has ended.

- No HAP Payment has been made for a period of 180 days.

TERMINATION OF THE CONTRACT BY THE AHA

Under the following circumstances the AHA may find it necessary to terminate the HAP Contract prior to its regular termination date:

- The unit is not in compliance with the Housing Quality Standards and/or the State Sanitary Code and the owner has failed to correct the deficiencies within the stated time period. For unit under suspension of subsidy for failure to meet HQS or housing code, the AHA will also advise the household that they have the right to seek legal counsel regarding their rights and responsibilities as tenants-at-will in non-compliant units. Although the HAP payment is suspended immediately, a 30-day notice of intent to terminate the HAP contract for non-compliance is recommended to alert the family to the impending condition of being "on-the-clock".

- The AHA may terminate the HAP Contract and the assistance payments on behalf of the family if the AHA determines that the family is not in compliance with the terms of its Voucher, that the family has violated program regulations or has engaged in fraudulent activities.

- The AHA has determined that the owner is not in compliance with the terms of the HAP Contract. (24 CFR 982.453)

- The AHA determines that there is insufficient funding to support continued assistance. (24 CFR 982.454)

All HAP Contracts automatically terminate 180 days after the last HAP Payment.

TERMINATION OF CONTRACT BY OWNER [24 CFR 982.311]

The term of the HAP Contract is the same as the term of the lease. The contract between the owner and the HA may be terminated by the HA, or by the owner or tenant terminating the lease. No future subsidy payments on behalf of the family will be made by the AHA to the owner after the month in which the contract is terminated. The owner must reimburse the AHA for any subsidies paid by the HA for any period after the contract termination date.

After contract termination, if the family meets the criteria for a move with continued assistance, the family may lease up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit.

SECTION H - GROUNDS FOR DENIAL OF PROGRAM PARTICIPATION

A PHA may deny assistance for an applicant because of the family's action or failure to act as described in this section (982.552) or Section 982.553. (Crimes by family members).
The provisions of this section do not affect denial or termination of assistance for grounds other than action or failure to act by the family.

Denial of assistance for an applicant may include any or all of the following: denying listing on the PHA waiting list, denying or withdrawing a voucher, refusing to enter into a HAP contract or approve a lease, and refusing to process or provide assistance under portability procedures. The applicant and applicant household shall be disqualified for Section 8 Assistance for any of the following reasons:

Mandatory Grounds for Denial:

A PHA must deny assistance for a family if the family is determined ineligible for reasons set forth in 24 CFR 982.552, and 982.553.

- The applicant does not meet basic eligibility criteria (e.g. annual income exceeds income limit or no family member has citizenship or eligible non-citizenship status.)
- The applicant or any member of the family fails to sign and submit required forms (such as the authorization for release of information or declaration of citizenship and noncitizen status. Refusal to sign a citizenship form or declaration of eligible non-citizen status by some family members is not grounds for termination as long as at least one family member does have citizenship or eligible non-citizen status.)
- Any household member has been convicted for manufacture or production of methamphetamine on the premises of federally assisted housing.
- The AHA determines that any household member is currently engaged in illegal use of drug.
- The AHA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.
- The AHA determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.
- The applicant/household member was evicted from housing assisted under the program for serious violation of the lease.
- The applicant or any member of the household was evicted because of drug-related criminal activity from housing assisted under the U.S. Housing Act of 1937, for a minimum of a three-year period beginning with the date of such eviction, unless the applicant has successfully completed, since the eviction, a rehabilitation program approved by the Amesbury Housing Authority. The applicant must show that through rehabilitation the Amesbury Housing Authority can be reasonably certain that the applicant or household member will not engage in similar conduct in the future.

Discretionary Grounds for Denial:

The AHA may deny assistance to an applicant if the applicant or any household member:

- has violated any family obligations under the program as set forth in 982.551;
- has violated any family obligations under the Section 8 Program or any other housing program;
- has been evicted from Federal or State public housing in the past five years;
- has had assistance terminated under the Section 8 Program by a Housing Authority;
- has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal Housing Program;
- currently owes rent or other amounts to the AMESBURY Housing Authority or another Housing Authority in connection with Section 8 or Public Housing Program.
- has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit or other amounts owed by the family under the lease;
- has breached an agreement with the AMESBURY Housing Authority to pay amounts owed to a HA, or amounts paid to an owner by a HA,
- has engaged in or threatened abusive or violent behavior towards the personnel of the Amesbury Housing Authority or another Housing Authority's personnel;
- has failed to correctly state household income, household members, or any other significant or required information on the application or reexamination;
- has failed to allow inspection of the dwelling unit proposed for Housing Assistance;
- has engaged in destruction or damage to the dwelling unit or creating and maintaining a significant health and safety hazard in or about the unit.
- falls within any of the other grounds for termination or denial as set forth in 24 CFR 982.552 or 982.553.
- has sexually harassed a housing authority employee.
- fails or refuses to sign and submit consent forms for obtaining information in accordance with applicable federal regulations, including 24 CRF part 5 relating to evidence of citizenship or eligible immigration status, and any other information (including but not limited to social security numbers) which the AHA is authorized to, requestor obtain.
- has failed to report to the AHA, within 10 days of the Change, any Changes in family composition, or status as may be required by 24 CFR 982.551 or other HUD regulation or this plan, and or failure to comply with annual reexamination including verification of all income, assets, family composition, etc.
- has committed violent or drug related criminal activity or other criminal activity which may threaten the health, safety or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity or other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor or agent).

The AHA may deny assistance for criminal activity by a household member, pursuant to any of the grounds set forth above, if the AHA determines, based upon a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted for such activity.

In accordance with the *Violence Against Women Act*, the Housing Authority will not deny an applicant admission to the Section 8 Program solely because the head of household or a household member is or has been a victim of domestic violence, dating violence, sexual assault or stalking.

3. <u>Payments by Families Who Owe Money to the AHA – 982.552(c)</u>

Grounds for denial or termination of Section 8 Assistance include situations in which the family owes money to the AHA or another Housing Authority. The AHA may, in its discretion, based on the facts and circumstances of the case, offer the family the opportunity to enter into a repayment agreement. Factors considered in determining whether a repayment agreement will be offered include, but are not limited to, the following:

- the amount of money owed;
- the reason such money is owed and the extent of culpability on the part of family members;
- the family's evidence of commitment and ability to make repayment.

Generally, a lump sum amount such as 1/3 of the "amount due" must be provided at the time of execution of the repayment agreement. However, the AHA reserves the right to require a larger up-front payment. Additional payments will generally be due and payable in equal monthly installments so that the total amount due is paid in full within twelve (12) months after the execution of the agreement.

In the event of breach of the agreement by the family (i.e. late or missed payments), the AHA shall retain the right to terminate the agreement and move forward with termination of Section 8 Assistance on grounds originally available at the time of execution of the repayment agreement and on any additional grounds which have become applicable since the execution of the repayment agreement. In the event that a family makes one or more late payments which are accepted by the AHA, this shall not stop them from terminating the agreement at a later date for failure of the family to again make payment within the time parameter set forth in the repayment agreement. The AHA reserves the right to refuse to enter into a repayment agreement with a family if it is of the opinion that such agreement should not be offered based upon the facts and circumstances of the case. In addition, the AHA will not enter into a repayment agreement if there is already a repayment agreement in place with the family

SECTION I - INFORMAL REVIEWS AND HEARINGS

In accordance with HUD regulations, applicants are entitled to an informal review, as described under 24 CFR Section 982.554, when subjected to certain adverse action (e.g. denial of participation). Program participants are entitled to an informal hearing, as described 24 CFR Section 982.555, relative to certain AMESBURY Housing Authority decisions regarding their continued program participation.

The Amesbury Housing Authority has adopted the following hearing procedures, which address HUD's requirements:

The Amesbury Housing Authority will provide information on its procedures for conducting informal reviews for applicants. This information will contain a general description of the procedures for conducting informal reviews including a description of the specific circumstances under which the Authority is required to provide an informal review.

Informal Review of AHA Denial of Participation in Section 8 Program

The AHA will give an applicant prompt written notice of a decision denying assistance in the Section 8 Program to the applicant. The notice will contain a brief statement of the reasons for the decision. The notice will also state that the applicant may request an informal review of the decision in writing within 10 business days of date of letter.

The informal review will be conducted by any person or persons designated by the AHA, other than a person who made or approved the decision under review or subordinate of such person. The applicant will be given an opportunity to present written or oral objections to the Authority's decision. At this review, the conversation will be taped in order to provide both the Amesbury Housing Authority and the applicant with a permanent record of what occurred at the review. The Amesbury Housing Authority will promptly notify the applicant in writing of the final AHA decision after the informal review, including a brief statement of the reasons for the final decision.

The Amesbury Housing Authority will NOT conduct an informal review to:

- Review discretionary administrative determinations by the Authority or to consider general policy issues or class grievances;

- Review the Authority's determination that an applicant is over-income unless the applicant argues that the actual household income is other than that identified by the Authority;

- Review the Authority's determination of the number of bedrooms entered on a Voucher under the standards established by the AHA;

- Review the Authority's decision not to approve a request for an extension of the term of a Voucher.

Note, persons appealing a denial of eligibility or pro-ration of assistance under the non-citizen rule have thirty (30) days to request an appeal.

INFORMAL HEARING ON AN ADVERSE ACTION AFFECTING A PARTICIPATING FAMILY

The Authority will give a participant an opportunity for an informal hearing to consider whether decisions relating to the household are in accordance with law, HUD regulations and AHA rules, in the following cases:

- a determination of the amount of the Total Tenant Payment or Tenant Rent (not including determination of the AHA's schedule of Utility Allowances for Families in the AHA's Section 8 Program),
- determination of family size under the subsidy standards
- a decision to deny, suspend or terminate assistance on behalf of the participant;
- In the case of an assisted family that wants to move to another dwelling unit with continued participation, a determination of the number of bedrooms entered on the Voucher under the AHA standards.
- Determination to terminate assistance because the family has been absent from the assisted unit longer that HUD rules or AHA policy allow

The Amesbury Housing Authority will NOT provide an opportunity for an informal hearing to:

- review discretionary administrative determinations by the AHA or to consider general policy issues or class grievances;
- review AHA determinations that a unit does not comply with housing quality standards established in accordance with 982.401 including that the owner has failed to maintain a unit in accordance with HQS, the Lease and/or state law;
- review a determination that the contract unit is not decent, safe and sanitary because of an increase in family size or Change in family composition;
- review a decision by the AHA to exercise any remedy against the owner, including the suspension or termination of housing assistance payments to the owner; or
- review the AHA's decision not to approve a family's request for an extension of the term of the Voucher issued to an assisted family which wants to move to another dwelling unit with continued participation in the AHA's Section 8 Program.

The Authority will give the participant prompt written notice of a decision. This notice of decision will contain a brief statement of the reasons for the decision, and the right to examine relevant documents before the hearing. The notice will state that, if the participant

does not agree with the decision, the participant may request an informal hearing on the decision in writing within 10 business days of date of letter. The family, or its representative, will be allowed to copy any documents related to the hearing at a cost of $.25 per page.

When the AHA determines the amount of the Total Tenant Payment or determines the number of bedrooms entered on the voucher of an assisted family which wants to move to another dwelling unit, the AHA will notify the participant and the participant may ask for an explanation of the basis of the AHA determination, and that, if the participant does not agree with the determination, the participant may request an informal hearing on the decision.

If the AHA has decided to suspend or terminate housing assistance payments on behalf of a participant under an outstanding contract (and if the AHA is required to give the participant an informal hearing on the decision), the participant will be afforded the opportunity for such informal hearing before the termination of housing assistance payments.

In all cases where a hearing is required, the AHA will proceed with a hearing in a reasonably expeditious manner upon the request of the participant.

The Amesbury Housing Authority informal hearing procedures will comply with the following:

- The hearings may be conducted by any person or persons designated by the AHA, other than a person who made or approved the decision under review or a subordinate of such person. At this review, the conversation will be taped in order to provide both the AHA and tenant with evidence of what took place;
- At the household's expense, the participant may be represented by a lawyer or other representative;
- The AHA and the participant will be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings; and
- The person who conducts the hearing will issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the participant will be based on the evidence presented at the hearing. A copy of the hearing decision will be furnished promptly to the participant.

The Amesbury Housing Authority is not bound by a hearing decision:

- concerning a matter for which the Authority is not required to provide an opportunity for an informal hearing pursuant to 882.216 (b), or otherwise in excess of the responsibility of the person conducting the hearing under the AHA hearing procedures, or
- contrary to HUD regulations or requirements, or otherwise contrary to Federal, State or local law.

If the AHA determines that it is not bound by a hearing decision, the AHA will promptly notify the participant of the determination, and of the reasons for the determination.

SECTION J - HOUSING INTEGRITY PROGRAM

The AHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained. The AHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

The AHA's policies for the prevention, detection and investigation of program abuse and fraud is as follows:

1. CRITERIA FOR INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

Under no circumstances will the AHA undertake an inquiry or an audit of a participating family arbitrarily. The AHA's expectation is participating families will comply with HUD requirements, provisions of the certificate or voucher, and other program rules. The AHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the AHA's responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the AHA's attention, to investigate such claims.

The AHA will initiate an investigation of a participating family only in the event of one or more of the following circumstances:

Referrals, complaints, or tips: The AHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

Internal File Review: A follow-up will be made if AHA staff discovers (as a function of a certification or reexamination, and interim redetermination, or a quality control review), information or facts which conflict with previous file data, the AHA's knowledge of the family, or is discrepant with statements made by the family.

Verification of documentation: A follow-up will be made if the AHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

2. STEPS THE AHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD

The AHA management and staff will utilize methods and practices (listed below) to prevent program abuse, non-compliance, and willful violations of program rules by applicants and the participating families. This policy objective to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

Things You Should Know. This program integrity bulletin (created by HUD's Inspector General) will be furnished and explained to all applicants to promote understanding of program rules, and to clarify the AHA's expectations for cooperation and compliance.

Program Orientation Session. The AHA staff will conduct mandatory orientation sessions for all prospective program participants, either prior to or upon issuance of a voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a "Program Briefing Certificate" to confirm that all rules and pertinent regulations were explained to them.

Resident Counseling. The AHA will routinely provide participant counseling as a part of every reexamination interview in order to clarify any confusion pertaining to program rules and requirements.

Review and Explanation of Forms. Staff will explain all required forms and review the contents of all (re) certification documents prior to signature.

Use of Instructive Signs and Warnings. Instructive signs will be conspicuously posted in common areas and interview areas to reinforce compliance with program rules and to warn about penalties for fraud and abuse.

3. STEPS THE AHA WILL TAKE TO DETECT PROGRAM ABUSE AND FRAUD

The AHA staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families.

Quality Control File Reviews. Such reviews shall include, but are not limited to:

- Assurance that verification of all income and deduction is present.
- Changes in reported Social Security Numbers or dates of birth.
- Authenticity of file documents.
- Ratio between reported income and expenditures.
- Review of signatures for consistency with previously signed file documents.
- All forms are correctly dated and signed.

Observation. AHA will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized persons resident in the household and unreported income.

Observations will be documented in the family's file.

Management and staff may **review public record bulletins**.

State wage data record keepers. Inquiries to State Wage and Employment record keeping agencies as authorized under Public Law 100-628, the Stewart B. McKinley homeless Assistance amendments Act of 1988, may be made annually in order to detect unreported wages or unemployment compensation benefits.

Zero Income Status
Families claiming to have no income will be required to execute verification forms to determine that forms of income such as unemployment benefits, TANF, SSI, etc. are not being received by the household. The AHA may run a credit report on families and household members claiming no income or if information is received that indicates the family has an unreported income source.

4. **OVERPAYMENTS TO OWNERS**

If the property owner has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the AHA may terminate the Contract and arrange for restitution to the AHA and/or family as appropriate. Any amount due to the AHA by an owner must be repaid by the owner within 30 days of the AHA determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, the AHA will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments the AHA will offer to enter into a repayment agreement in accordance with the policies on payment by families who owe money to the AHA. If the owner refuses to repay the debt, enter into a repayment agreement, or breaches a repayment agreement, the AHA will ban the owner from future participation in the program and pursue other modes of collection.

5. HOW THE AHA WILL INVESTIGATE ALLEGATIONS OF ABUSE AND FRAUD
If the AHA has determined that an allegation or referral warrants follow-up, either the staff person who is responsible for the file, or a person designated by the Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the AHA will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquires: In cases involving previously unreported income sources, a CBI may be made to determine if there is a financial activity that conflicts with the reported income of the family.

Verification of Credit: In cases where the financial activity that conflicts with file data, a verification of credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-employers. Employers or ex-employers may be contacted to verify wages that may have been previously undisclosed or misreported.

Neighbors/Witnesses. Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the AHA's review.

Other Agencies: Investigators, caseworkers or representatives of other benefit agencies may be contacted.

Public records: If relevant, the AHA will review public records kept in any jurisdictional courthouse. Examples of public records that may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

Interviews with Head of Household or family members: The AHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate AHA office. The AHA staff person who conducts such interviews will maintain a high standard of courtesy and professionalism. Under no circumstances will the management tolerate inflammatory language, accusation, or any unprofessional conduct or language. If possible, an additional staff person will attend such interviews.

6. PLACEMENT OF DOCUMENTS, EVIDENCE AND STATEMENTS OBTAINED BY THE AHA

Documents and other evidence obtained by the AHA during the course of an investigation will be considered "work product" and will be kept in the participant's file, or in a separate "work file." In either case, the participant's file or work file shall be kept in a locked file cabinet. Such cases under review will not be discussed among AHA staff unless they are involved in the process, or have information that may assist the investigation.

7. CONCLUSION OF THE AHA'S INVESTIGATIVE REVIEW

At the conclusion of the investigative review, the reviewer will report the findings to the Executive Director or designee. It will then be determined whether a violation has occurred a violation has not occurred, or if the facts are inconclusive.

8. EVALUATION OF THE FINDINGS

If it is determined that a program violation has occurred the AHA will review the facts to determine*:*

- The type of violation (procedural, non-compliance, or fraud).
- Whether the violation was intentional or unintentional.
- What amount of money (if any) is owed by the family
- If the family is eligible for continued occupancy.

9. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

Once a program violation has been documented, the AHA will propose the most appropriate remedy based upon the type and severity of the violation.

Procedural non-compliance. This category applies when a family "fails to" observe a procedure or requirement of the AHA, but does not misrepresent a material fact, and there is no retroactive assistance payments owed by the family.

Examples:

1. Failure to appear at a pre-scheduled appointment.
2. Failure to return verification in time period specified by the AHA.

Remedy:

Warning notice to the family containing the following:

1. A description of the non-compliance and the procedure, policy or obligation which was violated; or
2. The date by which the violation must be corrected, or the procedure complied with; or
3. The action that will be taken by the AHA if the procedure or obligation is not complied with by the date specified by the AHA; or
4. The consequences, if repeated similar violations occur.

Procedural noncompliance - overpaid assistance.

When the family owes money to the AHA for failure to report Changes in income, the AHA will issue a Notification of Overpayment Assistance. This notice will contain the following:

1. A description of the violation and the date(s).
2. Any amounts owed to the AHA.
3. A response required within ten (10) business days
4. The right to disagree and to request an informal hearing with instructions for the request of such hearing.

Participant fails to comply with the AHA's notice. If the participant fails to comply with the AHA's notice, and a family obligation has been violated, the AHA will initiate termination of assistance.

Participant complies with AHA's notice. When a family complies with the AHA's notice, the staff person responsible will meet with him/her to discuss and explain the Family Obligation or program rule which was violated. The staff person will complete a Participant Counseling report, give one copy to the family and retain a copy in the family's file.

Intentional misrepresentation: When a participant falsifies, misstates, omits or otherwise misrepresents a material fact which results (or would have resulted) in an overpayment of housing assistance by the AHA, the AHA will evaluate whether or not:

The participant had knowledge that his/her actions were wrong, and

The participant willfully violated the family obligations or the law.

Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certification, briefing certificate, personal declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.

The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:

- An admission by the participant of the misrepresentation.
- That the act was done repeatedly.
- If a false name or Social Security Number was used.
- If there were admissions of others of the illegal action or omission.
- That the participant omitted material facts that were known to him/her (e.g., employment of self or other household member).
- That the participant falsified, forged or altered documents.
- That the participant uttered and certified to statements at an interim (re) determination which were later independently verified to be false.

Dispositions of cases involving misrepresentations. In all cases of misrepresentations involving efforts to recover monies owed, the AHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

Criminal prosecution: if the AHA has established criminal intent, and the case meets the criteria for prosecution, the AHA will:

Refer the case to the Local, State or District Attorney, notify HUD's RIGI, and terminate rental assistance.

Refer the case to HUD's RIGI, and terminate rental assistance.

Administrative Remedies:
The AHA will:

- Terminate assistance and demand payment of restitution in full.
- Terminate assistance and execute an administrative repayment agreement in accordance with the AHA's Repayment Policy.
- Terminate assistance and pursue restitution through civil litigation.
- Continue assistance at the correct level upon repayment of restitution in full # of days.
- Permit continued assistance at the correct level and execute an administrative repayment agreement in accordance with the AHA's repayment policy.

The case conference for serious violations and misrepresentations.

When the AHA has established that material misrepresentation(s) have occurred, a case conference will be scheduled with the family representative and the AHA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by the AHA. The purpose of such conference is to review the information and evidence obtained by the AHA with the participant, and to provide the participant the opportunity to explain any document findings which conflict with representations in the family's file. Any documents or mitigating

circumstances presented by the family will be taken into consideration by the AHA. The family will be given fourteen calendar days to furnish any mitigating evidence.

A secondary purpose of the Participant conference is to assist the AHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed action, the AHA will consider:

- The duration of the violation and the number of false statements.
- The family's ability to understand the rules.
- The family's willingness to cooperate, and to accept responsibility for his/her actions.
- The amount of money involved.
- The family's past history.
- Whether or not criminal intent has been established.
- The number of false statements.

Notification to participant of proposed action: The AHA will notify the family of the proposed action no later than fourteen calendar days after the case conference by certified mail.

SECTION K - MONITORING PROGRAM PERFORMANCE

The Housing Choice Voucher Administrator will provide a monthly report to the Executive Director, concerning the operation of the program. This may include tenant-related matters, inspection schedules, leasing schedules, Fair Market Rent issues, and the number of units under contract.

The Housing Choice Voucher Administrator will monitor the leasing schedule and arrange all certification for new applicants. This will include setting up briefing sessions, whether in-groups or individually.

The Authority's Fee Accountant and Accounting Manager will provide the Executive Director and the Housing Choice Voucher Administrator copies of all financial reports and statements of the fiscal status of the program on a monthly basis. The Housing Choice Voucher Administrator will meet with the Director to discuss any need to alter the performance of the program, and discuss any need to make any policy recommendation to the AHA Commissioners. The Housing Choice Voucher Administrator will monitor the housing stock within the community and perform rent reasonableness surveys, as required.

SECTION L - MONITORING AHA PERFORMANCE

To demonstrate compliance with HUD and other relevant regulations, the AHA will maintain records, reports and other documentation for a time that is in accordance with HUD requirements and in a way that will allow monitoring and assessment of the AHA's operational procedures objectively and with accuracy and in accordance with SEMAP requirements with internal supervisory audits.

SECTION M - INSUFFICIENT FUNDING

1. Introduction

The Amesbury Housing Authority (AHA) may terminate the Housing Assistance Payments (HAP) contract if the AHA determines that funding under the consolidated ACC is insufficient to support continued assistance for families in the program. (24 CFR 982.454)

In the event that the AHA's Annual HAP Budget Authority is insufficient to support the number of Families currently under contract in the Section 8 program, the AHA will analyze data to determine the number of Section 8 contracts that must be terminated due to the lack of sufficient funding. The AHA shall employ the following guidelines when terminating assistance due to insufficient funding.

The AHA will notify the HUD field office and its financial analyst at the Financial Management Center (FMC) prior to issuing notices of termination actions due to insufficient funding. The notice will be in writing and must include all measures taken to date to reduce or eliminate the shortfall and the number and date(s) of proposed termination.

2. Ongoing Funding Analysis

On a monthly basis the Housing Choice Voucher Administrator and Accounting Manager shall review per unit costs (PUC), and leasing and attrition rates. In the event that vouchers are over leased and/or HAP funds are over-utilized, the Section 8 Department will initiate appropriate corrective action to decrease leasing or utilization as applicable.

3. Cost Containment Measures

The Amesbury Housing Authority will, to the extent necessary under program circumstances, employ the following measures to ensure cost containment:

- Adjust Payment Standards;
- Adjust Utility Allowances;
- Ensure Reasonable Rents;
- Adjustment of Subsidy Standards;
- Adjustment of Minimum Rent;
- Income matching/verification Employment of Anti-Fraud Efforts;
- Adjustment of Interim Adjustment Policies and Procedures;
- Restrict the Issuance of Vouchers;
- Cancel Vouchers in search status;
- Place Leasing Moratorium into Effect; and or
- Strengthen Enforcement of Participant Family Obligations.

Nothing in this section is intended to modify the Amesbury Housing Authority's obligations under current law and the Amesbury Housing Authority continues to comply with all policies and regulatory guidance in place in terms of program compliance

notwithstanding its listing above. The AHA will comply with these requirements, regardless of whether the AHA is experiencing financial difficulties. However HUD has issued guidance reminding the AHA that there are certain proactive steps the AHA may take within the context of some of these requirements to better manage HAP expenses.

4. Declaration of Insufficient Funding

Prior to the termination of HAP contracts due to insufficient funding the Amesbury Housing Authority will issue a formal, "Declaration of Insufficient Funding." This Declaration will be made in writing and signed by the Executive Director. Said Declaration will only be made after the following measures have been employed:

- The AHA has taken reasonable steps to contain costs as identified in Section B above and is still of the opinion that there will be insufficient funds to support the current or projected number of assisted families; and
- The Amesbury Housing Authority has investigated possible alternative sources of funds to support the current or projected assisted families.

The Declaration shall identify the amount of the shortfall, the steps to mitigate the shortfall and assessment of fiscal impact of continued HAP assistance at the projected rate.

5. Request for Authorization to Terminate HAP Contracts

Authority to terminate HAP Contracts due to Insufficient Funding shall be vested in the Board of Commissioners and Approval to terminate HAP contracts shall be granted by resolution of the Board after consideration of the Housing Authority's, "Request to Terminate HAP Contracts Due to Insufficient Funding." The "Request to Terminate HAP Contracts Due to Insufficient Funding" will be made in writing to the Board of Commissioners and shall state,

- The number and dollar value of HAP contracts to be terminated, and
- The timeline for HAP contract terminations.

6. Administration of Housing Assistance Payment Contract Terminations
Determining the Order of Contracts to be Terminated

Date of Initial Assisted Section 8 Lease

The AHA shall terminate HAP contracts due to insufficient funding based upon the date of the participant family's admittance to the Section 8 program. The family that was first admitted to the program, according to the first assisted lease date, and shall be the **first** to have assistance terminated due to insufficient funding. (I.e. those assisted longest will have HAP contract terminated first)

For this purpose, the HA shall consider the Family's first assisted lease date under the HA's Section 8 Program to be their date of admittance to the Section 8 tenant based program.

Contracts, which will be Terminated Last

Contracts for a family in any of the following categories shall be terminated only after all other contracts[1] have been terminated:

- Elderly Family,
- Disabled Family, or
- Notification of Owner

The AHA will provide the owner with a minimum of thirty (30) days written notice of, "Notice of HAP Contract Termination Due to Insufficient Funding." Said Notice will comply with notice requirements under the existing HAP. The Notice will be sent to the owner via certified mail. A copy will be sent via first class mail to the participant.

Said Notice shall set forth

- The reason for termination,
- Reference the regulatory grounds for termination of the HAP contract,
- Effective date of HAP contract termination
- Rights and responsibilities of the owner, and
- The AHA representative contact person.

7. <u>Notification of Participant</u>

The AHA will provide the participant with a minimum of thirty (30) days written notice of, "Notice of Termination of Assistance Due to Insufficient Funding." Said Notice will offer the family an Informal Hearing on the matter. The Notice will be sent to the tenant via certified mail. A copy will be sent to the owner via first class mail.

Said Notice shall set forth

- The reason for termination,
- Reference the regulatory grounds for termination,
- Effective date of HAP contract termination,
- Rights and responsibilities of the participant including the right to an informal hearing,
- Special assistance available from the AHA
- The AHA representative contact person, and
- Participant rights regarding resumption of assistance.

8. <u>Resumption of Terminated Subsidies</u>

Super Priority for Family Terminated due to Insufficient Funding Under a Section 8 HAP Contract.

The AHA will give a super priority on the Section 8 Centralized waiting list to a family who was terminated from the program due to insufficient funding under an Annual Contributions Contract that has not obtained permanent replacement housing. These admissions shall be based upon date and time of application.

9. <u>Income Limits for Resumption of Subsidy</u>

Pursuant to 24 CFR 982.201 (a) (b) (3) the AMESBURY Housing Authority will use the low income limit for families for whom HAP contracts were terminated due to insufficient funding under this section.

The Amesbury Housing Authority must still comply with the Income targeting requirement of 75% admissions at or below Extremely Low Income. Thus, it may be possible that an ELI admission will come before a family with an income above that level notwithstanding the order of priority within this Section covering termination of HAP contracts due to insufficient funding and resumption of assistance of impacted families.

ADMINISTRATIVE PLAN

SECTION N – Project Based Voucher Program

PART I: GENERAL

OVERVIEW [24 CFR 983.5]

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52].

The project-based voucher (PBV) program allows AHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to utilize up to 20 % percent of the AHA's Housing Choice Voucher authorized units and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. AHAs may only operate a PBV program if doing so is consistent with the AHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

The AHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

AHA Policy

The AHA will administer a project-based voucher program The proposed location of any project-based units will comply with the goals of deconcentrating poverty, expanding housing opportunities, and affirmatively furthering fair housing

The AHA will accept an invitation from HUD to administer tenant protection vouchers for any Housing Conversion action in the Town of Amesbury. This includes any project approved to participate in the Rental Assistance Demonstration (RAD) program. Under the RAD program, income-eligible tenants who would normally receive Enhanced Vouchers (EVs) are eligible to be project based.

The Moderate Rehabilitation Development at The Elms, Amesbury may be was approved by HUD to participate in the RAD. The AHA may receive new funding from HUD for this housing conversion action.

Additional Project-Based Units [FR Notice 1/18/17]

The AHA may project-base an additional 10 percent of its units above the 20 percent program limit, if the units:

- Are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).
- Are specifically made available to house families that are comprised of or include a veteran. *Veteran* means an individual who has served in the United States Armed Forces.
- Provide supportive housing to persons with disabilities or elderly persons as defined in 24 CFR 5.403.
- Are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year Estimates.

17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the AHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

AHA Policy

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the AHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

17-I.C. RELOCATION REQUIREMENTS [24 CFR 983.7]

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. AHAs may not use voucher program funds to cover relocation costs, except that AHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the AHA to ensure the owner complies with these requirements.

17-I.D. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]

The AHA must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the AHA must comply with the AHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

17-I.E. Special Provisions Under RAD

RAD projects are subject to all HUD requirements, including the PBV regulations in 24 C.F.R. part 983.

A. **Owner Proposal Selection Procedures.** Projects will be selected for assistance in accordance with the provisions in the RAD implementing notice. Therefore, 24 C.F.R. § 983.51 does not apply.

B. **Term of Initial Contract.** In order to participate in RAD, AHAs and owners must agree to an initial term of 15 years. The initial contract term may not be for a lesser term, nor may it exceed the 15-year limit.

C. **Extension of Term.** The AHA and the owner may agree to enter into an extension of the HAP contract at the time of initial HAP contract execution or any time prior to expiration of the contract. Any extension, including the term of such extension, must be in accordance with HUD requirements. The AHA must determine that any extension is appropriate to achieve the long-term affordability of the housing or expand housing opportunities.

D. **Percentage Limitation.** Section 8(o)(13)(B) of the 1937 Act and 24 C.F.R.

§ 983.6 do not apply to assistance provided under RAD.

E. **Consistency With AHA Plan and Other Goals.** Section 8(o)(13)(C)(ii) of the 1937 Act and 24 C.F.R. §§ 983.57(b)(1) and (c) do not apply.

F. **Income Mixing.** Section 8(o)(13)(D) of the 1937 Act and related regulatory provisions. The 25 percent limitation on the number of units in a project that may receive PBV assistance is increased to 50 percent. An assisted family shall not be involuntarily displaced as a result of this provision. In addition, the excepted unit provisions in the PBV regulations generally apply to RAD projects. However, for existing families occupying units when the PBV contract is initially executed, a unit may count as a supportive service accepted unit if the AHA offers the family supportive services. The family is not required to accept the services, and may not be evicted for a refusal to accept such services. Once an existing family leaves a supportive service excepted PBV unit, the AHA and owner must comply with 24 C.F.R. § 983.56(b)(2)(B) ("Families Receiving Supportive Services") and all other HUD requirements in order to continue treating the unit as a support service excepted unit.

RAD Authority

The Consolidated and Further Continuing Appropriations Act, 2012, Pub. L. No. 112-55, approved November 18, 2011, states, in part, under the Rental Assistance Demonstration account, "That for fiscal years 2012 and 2013, owners of properties assisted under section 101 of the Housing and Urban Development Act of 1965, section 236(f)(2) of the National Housing Act, or section 8(e)(2) (except for funds allocated under such section for single room occupancy dwellings as authorized by title IV of the McKinney-Vento Homeless Assistance Act) of the [1937] Act, for which an event after October 1, 2006 has caused or results in the termination of rental assistance or affordability restrictions and the issuance of tenant protection vouchers under section 8(o) of the [1937] Act, shall be eligible, subject to requirements established by the Secretary, including but not limited to tenant consultation procedures and agreement of the administering public housing agency, for conversion of assistance available for such vouchers to assistance under section 8(o)(13) of the [1937] Act, to which the limitation under subsection (B) of section 8(o)(13) of the [1937] Act shall not apply and for which the Secretary of Housing and Urban Development may waive or alter the provisions of subparagraphs (C) and (D) of section 8(o)(13) of the [1937] Act."

RAD HUD Requirements

The owner and the AHA must comply with all HUD requirements, as defined in section 2 of the PBV Existing Housing HAP Contract. HUD requirements include Notice PIH 2012-32; Rental Assistance Demonstration —Final Implementation**.**

PART II: PBV OWNER PROPOSALS

17-II.A. OVERVIEW

The AHA must describe the procedures for owner submission of PBV proposals and for AHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the AHA must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per project [24 CFR 983.56, FR Notice 11/24/08], and meets the site selection standards [24 CFR 983.57]. The AHA may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

17-II.B. OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51(b)]

The AHA must select PBV proposals in accordance with the selection procedures in the AHA administrative plan. The AHA must select PBV proposals by either of the following two methods.

- AHA request for PBV Proposals. The AHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the AHA request. The AHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- The AHA may select proposal that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

Solicitation and Selection of PBV Proposals [24 CFR 983.51(c)]

AHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the AHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the AHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

AHA Policy

AHA Request for Proposals for Rehabilitated and Newly Constructed Units

The AHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in local newspapers and trade journals.

In addition, the AHA will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

The AHA will publish its advertisement for at least one day per week for two (2) consecutive weeks. The advertisement will specify the number of units the AHA estimates that it will be able to assist under the funding the AHA is making available. Proposals will be due in the AHA office by close of business 30 calendar days from the date of the last publication.

In order for the proposal to be considered, the owner must submit the proposal to the AHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

The AHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;
- Extent to which the project furthers the AHA goal of deconcentrating poverty and expanding housing and economic opportunities;
- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
- Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the AHA will rate partially assisted projects on the percent of units assisted. Projects with the lowest percent of assisted units will receive the highest score.

AHA Requests for Proposals for Existing Housing Units

The AHA will advertise its request for proposals (RFP) for existing housing in the following newspapers and trade journals.

In addition, the AHA will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic web site.

The AHA will periodically publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the AHA estimates that it will be able to assist under the funding the AHA is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;
- Extent to which the project furthers the AHA goal of deconcentrating poverty and expanding housing and economic opportunities;
- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
- Extent to which units are occupied by families that are eligible to participate in the PBV program.

AHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The AHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

Additional Exemption from Requirement to Select Units Competitively [FR Notice 1/18/17]

For certain public housing projects where the AHA has an ownership interest or control and will spend a minimum amount per unit on rehabilitation or construction, the AHA may select a project without following the competitive processes cited above.

In addition to, or in place of advertising, the AHA may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The AHA will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers the AHA goal of deconcentrating poverty and expanding housing and economic opportunities; and
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

- **AHA Notice of Owner Selection [24 CFR 983.51(d)]**

The AHA must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

> AHA Policy
> Within 10 business days of the AHA making the selection, the AHA will notify the selected owner in writing of the owner's selection for the PBV program. In addition, the AHA will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers and trade journals the AHA used to solicit the proposals.

17-II.C. HOUSING TYPE [24 CFR 983.52]

The AHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of AHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.

The AHA must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The AHA choice of housing type must be reflected in its solicitation for proposals.

17-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS

Ineligible Housing Types [24 CFR 983.53]

The AHA may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing. In addition, the AHA may not attach or pay PBV assistance for a unit occupied by an owner and the AHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

Subsidized Housing [24 CFR 983.54]

The AHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a AHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the AHA in accordance with HUD requirements.

17-II.E. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55, FR Notice 11/24/08, and FR Notice 7/9/10]

The AHA may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

The AHA must submit the necessary documentation to HUD for a subsidy layering review. Except in cases of HAP contracts for existing structures, or if such reviews have been conducted by the applicable state and local agencies (defined by HUD as qualified housing credit agencies, or HCAs), the AHA may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD, or an independent entity approved by HUD, has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements. However, in order to satisfy applicable requirements, HCAs must conduct subsidy-layering reviews in compliance with the guidelines set forth in the *Federal Register* notice published July 9, 2010.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT

25 Percent per Project Cap [24 CFR 983.56(a), FR Notice 11/24/08]

In general, the AHA may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the project.

Exceptions to 25 Percent per Project Cap [24 CFR 983.56(b), FR Notice 11/24/08]

Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if:

- The units are in a single-family building (one to four units);
- The units are *excepted units* in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

AHAs must include in the AHA administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. It is not necessary that the services be provided at or by the project, if they are approved services

17-II.G. SITE SELECTION STANDARDS

Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]

The AHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless the AHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the AHA Plan under 24 CFR 903 and the AHA administrative plan.

In addition, prior to selecting a proposal, the AHA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

AHA Policy

It is the AHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the AHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the AHA will grant exceptions to the 20 percent standard where the AHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or

- A census tract where there are meaningful opportunities for educational and economic advancement.

Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]
The AHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]
In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the AHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

17-II.H. ENVIRONMENTAL REVIEW [24 CFR 983.58]

The AHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The AHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The AHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the AHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The AHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The AHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

PART III: DWELLING UNITS

17-III.A. OVERVIEW

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

17-III.B. HOUSING QUALITY STANDARDS [24 CFR 983.101]

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

Lead-based Paint [24 CFR 983.101(c)]

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The AHA must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

17-III.D. INSPECTING UNITS

Pre-selection Inspection [24 CFR 983.103(a)]

The AHA must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the AHA must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, the AHA may not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections [24 CFR 983.103(b)]

The AHA must inspect each contract unit before execution of the HAP contract. The AHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections [24 CFR 983.103(c)]

Before providing assistance to a new family in a contract unit, the AHA must inspect the unit. The AHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual Inspections [24 CFR 983.103(d)]

At least annually during the term of the HAP contract, the AHA must inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the AHA must reinspect 100 percent of the contract units in the building.

Other Inspections [24 CFR 983.103(e)]

The AHA must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The AHA must take into account complaints and any other information coming to its attention in scheduling inspections.

The AHA must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting AHA supervisory quality control HQS inspections, the AHA should include a representative sample of both tenant-based and project-based units.

Inspecting AHA-Owned Units [24 CFR 983.103(f)]

In the case of AHA-owned units, the inspections must be performed by an independent agency designated by the AHA and approved by HUD. The independent entity must furnish a copy of each inspection report to the AHA and to the HUD field office where the project is located. The AHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the AHA-owner.

PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS

17-IV.A. OVERVIEW [24 CFR 983.151]

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

17-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT

In order to offer PBV assistance in rehabilitated or newly constructed units, the AHA must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)].

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the AHA agrees that upon timely completion of such development in accordance with the terms of the Agreement, the AHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

Content of the Agreement [24 CFR 983.152(c)]

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the AHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

Execution of the Agreement [24 CFR 983.153, FR Notice 11/24/08]

The Agreement must be executed promptly after AHA notice of proposal selection to the selected owner. Generally, the AHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the AHA may not enter into the Agreement until the environmental review is completed and the AHA has received environmental approval. However, the AHA does not need to conduct a subsidy layering review in the case of a HAP contract for an existing structure or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

AHA Policy

The AHA will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy-layering requirements have been met, and before construction or rehabilitation work is started.

17-IV.C. CONDUCT OF DEVELOPMENT WORK

Labor Standards [24 CFR 983.154(b)]

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The AHA must monitor compliance with labor standards.

Equal Opportunity [24 CFR 983.154(c)]

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

Owner Disclosure [24 CFR 983.154(d) and (e)]

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

17-IV.D. COMPLETION OF HOUSING

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion [24 CFR 983.155(b)]

At a minimum, the owner must submit the following evidence of completion to the AHA in the form and manner required by the AHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the AHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

> AHA Policy
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> The AHA will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The AHA will specify any additional documentation requirements in the Agreement to enter into HAP contract.

AHA Acceptance of Completed Units [24 CFR 983.156]

Upon notice from the owner that the housing is completed, the AHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The AHA must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the AHA must not enter into the HAP contract.

If the AHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the AHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

17-V.A. OVERVIEW

The AHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD [24 CFR 983.202].

17-V.B. HAP CONTRACT REQUIREMENTS

Contract Information [24 CFR 983.203]

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any project that will exceed the 25 percent per project cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

Execution of the HAP Contract [24 CFR 983.204]

The AHA may not enter into a HAP contract until each contract unit has been inspected and the AHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the AHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the AHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

AHA Policy

For existing housing, the HAP contract will be executed within 10 business days of the AHA determining that all units pass HQS, after the owners have prepaid the mortgage on Expiring Use Development and upon execution of an Annual Contribution Contract with HUD.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of the AHA determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

Term of HAP Contract [FR Notice 11/24/08]

The AHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 15 years.

AHA Policy

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

At any time before expiration of the HAP contract, the AHA may extend the term of the contract for an additional term of up to 15 years if the AHA determines an extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

AHA Policy

When determining whether or not to extend an expiring PBV contract, the AHA will consider several factors including, but not limited to:

The cost of extending the contract and the amount of available budget authority;

The condition of the contract units;

The owner's record of compliance with obligations under the HAP contract and lease(s);

Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and

Whether the funding could be used more appropriately for tenant-based assistance.

Termination by AHA [24 CFR 983.205(c)]

The HAP contract must provide that the term of the AHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the AHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the AHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Termination by Owner [24 CFR 983.205(d)]

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the AHA. In this case, families living in the contract units must be offered tenant-based assistance.

Remedies for HQS Violations [24 CFR 983.207(b)]

The AHA may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the AHA determines that a contract does not comply with HQS, the AHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

> AHA Policy
>
> The AHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.

17-V.C. AMENDMENTS TO THE HAP CONTRACT

Substitution of Contract Units [24 CFR 983.206(a)]

At the AHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, the AHA must inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units [24 CFR 983.206(b)]

At the AHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of the AHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same building. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required. The AHA has identified the Elms project as meeting criteria that would enable the AHA to add additional units to the HAP contract to expand housing opportunities and deconcentrate poverty.

AHA Policy

The AHA will consider adding contract units to the HAP contract when the AHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and

Voucher holders are having difficulty finding units that meet program requirements.

17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.206(c) and 983.302(e)]

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP [24 CFR 983.209]

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the AHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

17-V.F. ADDITIONAL HAP REQUIREMENTS

Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the AHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

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Vacancy Payments [24 CFR 983.352(b)]

At the discretion of the AHA, the HAP contract may provide for vacancy payments to the owner for a AHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by the AHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

AHA Policy

The AHA will decide on a case-by-case basis if the AHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payment.

Termination by AHA [24 CFR 983.205(c); FR Notice 1/18/17] The HAP contract must provide that the term of the AHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the AHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract. In times of insufficient funding, HUD requires that AHAs first take all cost-saving measures prior to failing to make payments under existing PBV HAP contracts. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the AHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Statutory Notice Requirements: Contract Termination or Expiration [24 CFR 983.206; FR Notice 1/18/17]

Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify the AHA and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent. An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

Upon termination or expiration of the contract, a family living at the property is entitled to receive a tenant-based voucher. Tenant-based assistance would not begin until the owner's

required notice period ends. The AHA must provide the family with a voucher and the family must also be given the option by the AHA and owner to remain in their unit with HCV tenant- based assistance as long as the unit complies with inspection and rent reasonableness requirements.

The family must pay their total tenant payment (TTP) and any additional amount if the gross rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause. Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to the tenant-based program, and are not subject to income eligibility requirements or any other admission requirements. If the family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family's adjusted monthly income.

Addition of Contract Units [FR Notice 1/18/17]

The AHA and owner may amend the HAP contract to add additional PBV contract units in projects that already have a HAP contract without having to fulfill the selection requirements found at 24 CFR 983.51(b) for those additional PBV units, regardless of when the HAP contract was signed. The additional PBV units, however, are still subject to the PBV program cap and individual project caps. Prior to attaching additional units without competition, the AHA must submit to the local field office information outlined in FR Notice 1/18/17. The AHA intends to exercise this option when feasible and where the project is in good standing and the populations served will continue to aid the AHA to address waiting list needs. The Elms project meets this criteria.

PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS

17-VI.A. OVERVIEW

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]

The AHA may select families for the PBV program from those who are participants in the AHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be redetermined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the AHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the AHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD requirements related to current or past criminal activity.

Rental assistance is provided while eligible families occupy units. A family who resides in a PBV unit for at least one year may move with continued rental assistance under the tenant-based Section 8 Program if assistance is available. The PBV unit the family occupied must then be rented to an eligible family from the AHA's wait list. PBV units must be leased to eligible families for the full term of the HAP contract.

The HAP contract establishes the initial rents for the units and describes the responsibilities of the AHA and the owner. The HAP contract renewal may occur at the sole option of the AHA for such period as AHA determines appropriate to expand housing opportunities and to achieve long-term affordability of the assisted housing. All HAP contract renewals are contingent upon the future availability of appropriated HUD funds for the Housing Choice Voucher Program.

In-Place Families [24 CFR 983.251(b)]

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the AHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the AHA's waiting list. Once the family's continued eligibility is determined (the AHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the AHA must refer these families to the

project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

In-Place Families

Owner responsibility

The Owner-sponsor must send all in-place tenants a letter explaining that the Owner's units have been selected for PBV assistance and that if the tenants are determined program eligible (including being appropriately housed according to AHA's occupancy standards), they will be eligible to receive PBV assistance. The Owner's letter must emphasize that any tenant found ineligible will not be displaced. The AHA will provide the Owner with the details about HCV program eligibility and relocation requirements.

AHA responsibility

Upon receipt of the Owner's certification that the requisite letter has been sent to all in-place tenant families, the AHA will send those families a HCVP pre-application that seeks information about each tenant's household composition. This information will assist the AHA in determining whether or not the household is occupying the appropriate bedroom-size unit. Once the family completes and returns the pre-application to AHA, the AHA will advise the Owner about specific unit size determinations.

17-VI.C. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]

The Amesbury Housing Authority (AHA) will maintain a site-specific waiting list for each respective Section 8 Project Based Voucher (PBV) project including The Elms. Applicants for PBV units must be selected from the AHA's waiting list. The AHA will take referrals from PBV owners. There will be no tenant screening for suitability done by the AHA only screening for Section 8 eligibility.

Notification Of All Housing Choice Voucher (HCVP) Applicants

All new applicants and families currently on the AHA's tenant-based waiting list will be provided with the option to have their names placed on all/any open waiting lists that the AHA maintains for assisted housing. See 24 CFR 983.251.

The AHA will notify these applicants by the same means it uses in opening its waiting list under 24 CFR §982.206(a). The AHA will (1) advertising through local and minority newspapers and the internet; (2) post the notification at local post offices, libraries, and community centers; and (3) conduct outreach to social service organizations that may serve the same clientele that will be occupying the PBV units.

Referrals To PBV Site-Specific Waiting Lists

Although site-specific PBV applications will be provided to all interested families at the AHA Administrative Office, it is the responsibility of PBV owners to also refer applicants to the AHA to complete an application for the site-specific waiting list for their respective project. If units are not promptly filled because of lack of referrals, the AHA will meet with the owner to emphasize their responsibility to make a suitable number of referrals or risk contract termination.

Site-Specific Waiting List Information Available At The AHA Admissions Office:

Each site-specific waiting list identifies:

1. Name of the project;
2. Location of project;
3. Number of bedrooms in the project;
4. Accessible unit availability;
5. Any special preference and/or occupancy considerations such as elderly, disabled, supportive services.

Listing In-Place Eligible Households On Both The Site-Specific Waiting List

All in-place households will be listed on the site-specific waiting list for the building in which they reside. These households will receive an absolute selection preference for the project-based voucher on the site-specific list. If the unit is not appropriately sized for the in-place household but another unit in the building is, the owner must offer this unit to the household before accepting any referrals from the AHA waiting list. It is the tenant's option to accept the owner's offer of the appropriately sized unit.

Timing Of Applicant Referrals For "Development" And "Existing" PBV Projects

Tenants for vacant PBV units will be selected by the owner from AHA referrals from the site-specific waiting list.

All applicants indicating interest in the PBV units who have self-certified Section 8 eligibility will be selected from the PBV Site Based Waiting List and referred to the Owner for suitability screening. Once the Owner has selected the family, the AHA will screen the applicant for Section 8 program eligibility. The Owner may refer a Section 8 eligible individual or family to the AHA PBV Site Based Waiting List so long as the individual or family meets the AHA's wait list criteria.

The AHA's PBV sites may offer residents, in some cases, supportive services, such as economic improvement, case management, mental health counseling, recovery programs, on site medical services, etc. Applicants are screened by the Owner/Agent of each property for suitability based upon criteria established in each property's Tenant Selection Plan. The AHA screens applicants for Section 8 Eligibility purposes, only.

Owners choose a family for occupancy based on each Owner's individual and distinct written tenant selection policy. The AHA must approve the Owner's tenant selection procedures. When a family is approved by the Owner and the AHA, they will execute a lease with the Owner (a HUD PBV addendum will be included).

<u>For "Existing" projects</u>

Simultaneous with approving the HAP for an "existing" PBV project, the AHA will add the name of the new project to its list of site-specific waiting lists on its website and the owner/project sponsor can begin making applicant referrals to the list. At that time, the AHA will send referrals to the owners for all vacant units.

<u>For "Rehab or Development" PBV projects</u>

Approximately 60 days before the anticipated HAP execution date, the AHA will add the name of the new project to its list of previously established site-specific waiting lists. At that time, all in-

place tenants will be listed on the site-specific waiting list. The owner/project sponsor and the AHA will also begin referring other prospective applicants to the list. The owner/project sponsor can begin requesting applicant referrals to fill vacant units as soon as the list is established.

In all instances, the AHA will refer more applicants than there are units available in order to assure the units are filled as quickly as possible and to provide the owner with a reasonable pool of potentially acceptable applicants based on the owner's AHA-approved tenant selection criteria. These referrals will not have been determined Section 8 eligible by the AHA. This process will occur after the owner/project sponsor has selected the tenant(s).

Referred applicants who lose contact with the AHA or owner/project sponsor or fail to respond to requests for additional information for a period greater than two weeks will be deemed to have refused a potential offer of a unit. The AHA cannot require the owner to hold a unit vacant while it attempts to locate the applicant.

Owner's Written Tenant Selection Plan

Prior to AHAP or HAP execution each owner must submit a tenant selection plan for approval by the AHA. Failure to present an acceptable selection plan will result in AHA's withdrawal of the offer to provide PBV assistance to the project. Each tenant selection plan should address, at a minimum, the following criteria:

- The screening criteria and methods used to screen.
- The owner/project sponsor's certification that both assisted and unassisted tenants will be screened using the same screening criteria and methods.
- If a credit check will be part of the screening, the minimum acceptable score.
- A statement that the owner/project sponsor will return to the AHA a copy of the applicant referral list that shows the date and time that each referred applicant contacted the owner/project sponsor and the final status of the contact.
- A statement that all applicants that pass the owner/project sponsor's screening will be referred back to the AHA as potentially acceptable tenants for a future vacancy.
- A statement that owner/project sponsor's denials will be in writing to the applicant listing the reason(s) for the denial with a copy to the AHA.

Timing Of Owner's Tenant Selection And AHA Verification Of Tenant's Section 8 Eligibility

When the owner selects from the list of referrals provided by the AHA in accordance with its approved written tenant selection plan, the owner does not have to screen the referrals in the order of placement on the AHA waiting list. Rather, the owner should screen prospective applicants based on the order in which the applicant contacts the owner, comes to see the unit and completes the owner's selection requirements.

The AHA will not verify an applicant's Section 8 eligibility until **after** the owner has selected the tenant(s). Owner screening typically takes much less time than AHA eligibility screening. Because Section 8 verification of eligibility can require considerable staff time to complete and the AHA will make more referrals than there are units available, AHA has determined that it is not an appropriate use of staff time to complete the Section 8 eligibility screening until the applicant has been offered a unit by the owner.

AHA notification to applicants about the PBV unit selection process

The AHA will clearly outline the admissions process in the selection/referral letter that is sent to the applicant. This information should include information about any special features in the project and any selection preferences, where applicable.

Examples of special considerations could include:

- If the project is one in which both initial and continued PBV eligibility will be contingent upon the family's willingness to participate in a program of supportive services;
- If a preference will be provided to disabled applicants who can demonstrate a need for specific services; or
- If the units are limited to those applicants who are eligible for assisted living.

The owner should be encouraged to offer additional information about the project, including pictures, which the AHA can include in its mailing to the applicants. Because referrals are generally made to the owner without the AHA first determining Section 8 eligibility, both the owner and the applicants must be notified in writing by the AHA that among those applicants that meet the owner's selection criteria, the first applicant that contacts the owner and is approved by the owner, who is subsequently determined eligible by the AHA, will be offered the unit.

Applicant right to appeal an owner denial

If an owner denies a unit to a referred applicant, the owner must send a written notice to the applicant clearly stating the reason(s) for denial. The owner must provide a copy of this denial letter to the AHA and must advise the applicant of any appeal rights to the owner. The applicant

may request that the AHA review the owner's denial to verify that compliance with the owner's approved written tenant selection plan.

AHA briefing of applicants selected to occupy a PBV unit

All applicants selected to occupy the PBV units must be briefed on program benefits and responsibilities. The oral briefing must include a description of how the PBV program works and family and owner responsibilities. Each briefed family must receive a packet that contains: 1) Information on how the AHA determines the total tenant payment for the family; 2) family obligations under the program; 3) applicable fair housing information; and, 4) information about continued program eligibility if household composition changes and unit size is no longer suitable.

If the family head or spouse is a person with a disability, the AHA must take appropriate steps to insure effective communication in accordance with 24 CFR 8.6 in conducting the oral briefing and in providing the written information packet, including appropriate, alternative formats.

Filling accessible units

The owner/project sponsor must make every effort to refer eligible households that would benefit from the unit's accessibility features to the AHA's site-specific waiting list before AHA will permit the AHA to lease such a unit to a non-handicapped applicant. Owners must list accessible units with the Mass Accessible Housing Registry. Both the owner and the AHA should also notify all local and regional disability organizations of accessible PBV unit availability. The regional HCEC should be able to assist with these referrals.

Removal of applicant from site-specific list

Rejection by an applicant of the largest bedroom size in the project for which they are eligible will result in removal of the applicant's name from that project's waiting list. For instance, an applicant that refuses a one-bedroom unit in a project will not be referred to a smaller unit (0BR, ESRO, SRO) in that same project. The AHA will notify the applicant of this removal in the initial selection letter, or a subsequent letter, before the removal occurs.

Applicant responsibility for updating information

Applicants will be placed on each PBV waiting list by the date and time the application is received. If the applicant's household composition is not appropriate for the project, the AHA will not place the applicant on that project's waiting list. It is the applicant's responsibility to follow up with the AHA to verify that they were placed on each respective list for which they applied.

It is the applicant's responsibility to make any requests for changes on the waiting lists they have applied to, if such changes would be necessitated by a change in the applicant's family size and/or composition or mailing address. Failure by the applicant to maintain up-to-date information with the AHA may adversely affect their position on some or all site-specific lists.

AHA denial of eligibility for PBV applicant

The AHA is responsible for defending its decisions pertaining to the applicant's eligibility for PBV assistance. HCVP appeal procedures will be utilized and shall be the same as currently in effect for the HCVP program.

Preferences

Preferences [24 CFR 983.251(d), FR Notice 11/24/08]

The AHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. The AHA must provide an absolute selection preference for eligible in-place families who qualify for voluntary services, including disability-specific services, offered in conjunction with assisted units, provided that preference is consistent with the AHA plan. The AHA may not, however, grant a preference to a person with a specific disability [FR Notice 1/18/17].

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If the AHA has projects with "excepted units" for elderly families or supportive services, the AHA must give preference to such families when referring families to these units [24 CFR 983.261(b); FR Notice 1/18/17].

An Amesbury residency preference will be applied as a ranking preference to all PBV applicants. Applicants may apply to units outside of their region, but they will not be selected until all applicants with a residency preference have been exhausted.

PBV Site Based Waiting List: Applicants will be sorted on each PBV site based waiting list in accordance with the date and time of application and any approved Preference. Families on the PBV site based waiting list who qualify for a preference will be ranked higher than a standard applicant with no preference.

The Elm PBV Project Homeless Preference: The AHA currently gives preference to an Applicant on the Elms PBV waiting list if they qualify for the Homeless Preference category listed below:

Homeless: The AHA will continue to use the following definition of homeless as a preference category for the Elms project:

"An individual who lacks a fixed, regular, and adequate nighttime residence; and an individual who has a primary nighttime residence that is —

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
- An institution that provides temporary residence for individuals intended to be institutionalized; or
- A public or private place note designed for, or ordinarily used as, a regular sleeping accommodation for human beings."

Preference for disabled households needing services

AHA may support projects that require preference be given to disabled households that need services offered at a particular project in accordance with the following HUD conditions and criteria:

1. Preference cannot be granted to persons with a specific disability.
2. The project sponsor must document that the applicant has a disability that significantly interferes with their ability to obtain and maintain themselves in housing; and,
3. Who, without appropriate services, will not be able to obtain or maintain themselves in housing; and,
4. For whom such services cannot be provided in a non-segregated setting (i.e. a tenant-based voucher for an independently selected unit would not meet the needs of the applicant).
5. Disabled residents shall not be required to accept the particular services offered at the project.
6. In advertising the project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from the services provided.

Who determines tenant eligibility?

The owner/project sponsor must identify in their application which professional organization and/or independent individual(s) will make the assessment that a disabled applicant meets the HUD criteria listed in Section 0 (2-4). Such professionals could include licensed medical, psychological or allied mental health and/or human services professionals. Whomever the owner/project sponsor selects to make the assessment must sign a certification form that either

attests to or rejects each applicant's need for services in accordance with Section 0 (2-4). AHA will provide the form to be used in each instance. Applicant suitability will be made by the owner/project sponsor. The AHA will periodically monitor the project sponsor's applicant selection determinations for compliance with their AHA-approved selection plan.

Applicant referrals:

The AHA will refer a sufficient number of applicants for vacant units in order to assure that the units are filled as quickly as possible and to provide the Owner with a reasonable pool of potentially acceptable applicants based on the Owner's AHA-approved tenant selection criteria. These referrals will not have been determined Section 8 eligible by the AHA until after the Owner has selected the family and completed their suitability screening.

Prior to contracting with AHA, Owners are responsible for selecting tenants that the AHA refers from its waiting list. When selected from the Section 8 waiting list, applicants must satisfy all AHA and HUD income limits and eligibility requirements. PBV tenants generally pay 30% percent of their adjusted income for rent and utilities.

Determination of Eligibility for Projects with Supportive Services for the Disabled

The Owner must identify which professional organization and/or independent entity/individual(s) will make the assessment that a disabled applicant meets the HUD criteria listed above. Such individuals and/or entities could include licensed medical, psychological or allied mental health and/or human services professionals.

Applicant suitability determination will be made by the Owner. The AHA will periodically monitor the project sponsor's applicant selection determinations for compliance with the Owner's AHA-approved Tenant Selection plan for the project.

A disabled Applicant has the right to appeal denial of a PBV unit. The Owner must offer any applicant denied preference consideration for a project providing services the right to appeal that determination. The AHA may opt to terminate the HAP contracts of any Owner with a history of routinely rejecting otherwise qualified applicants in order to serve a client population with a specific disability and/or a required affiliation with a particular provider agency.

Other preferences

AHA may establish other tenant selection preferences for its PBV projects, provided these preferences support AHA's mission, as stated in its most current HUD-approved AHA Plan. AHA will amend this PBV administrative plan and announce any new preference(s) on its website.

Determining in-place tenant eligibility (983.251)

When PBV applications are selected (both "existing" and "development") and include units that are currently occupied at the time of selection, both the owner and the AHA must take the following steps:

Owner/Project sponsor responsibility

The owner sponsor must send all in-place tenants a letter explaining that the owner's units have been selected for PBV assistance and that if the tenants are determined program eligible (including being appropriately housed according to AHA's occupancy standards), they will be eligible to receive PBV assistance. The owner's letter must emphasize that any tenant found ineligible will not be displaced. The AHA will provide the owner with the details about program eligibility and relocation requirements. At the owner's request, the AHA will assist the owner in composing this letter.

AHA responsibility

Once the owner's in-place tenant letter has been sent, the AHA will send to these tenants an application that seeks information about each tenant's household composition. This information will assist the AHA in determining whether or not the household is occupying the appropriate number of bedrooms. Once the information is received, the AHA will advise the owner about its unit size determinations.

Because of time delays in getting the various HUD approvals (when required) completed, the AHA will not perform the final tenant eligibility determination for any in-place tenant until the unit(s) has been otherwise approved for PBV assistance (e.g. passed HQS, met all other HUD requirements). Final eligibility includes the determination that the in-place household is appropriately housed with the correct number of bedrooms.

In-place non-eligible households

Over-housed and under-housed in-place households

Where there exists an in-place non-eligible, over- or under-housed household, that occupied unit cannot be brought onto the program unless the owner, at his expense, finds a suitable replacement unit acceptable to that household

Income Targeting [24 CFR 983.251(c)(6)]

At least 75 percent of the families admitted to the AHA's tenant-based and project-based voucher programs during the AHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

PART VII: OCCUPANCY

17-VII.A. OVERVIEW

After an applicant has been selected from the waiting list, determined eligible by the AHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

17-VII.B. LEASE [24 CFR 983.256]

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease [24 CFR 983.256(b)]

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a AHA model lease.

The AHA may review the owner's lease form to determine if the lease complies with state and local law. If the AHA determines that the lease does not comply with state or local law, the AHA may decline to approve the tenancy.

Lease Requirements [24 CFR 983.256(c)]

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum [24 CFR 983.256(d)]

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the AHA (the names of family members and any AHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]

The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for "good cause," or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the AHA must provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.

Changes in the Lease [24 CFR 983.256(e)]

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the AHA a copy of all changes.

The owner must notify the AHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the AHA and in accordance with the terms of the lease relating to its amendment. The AHA must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy [24 CFR 983.257]

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for "good cause" does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c), FR Notice 11/24/08]

If a family is living in a project-based unit that is excepted from the 25 percent per project cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by AHA policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

Security Deposits [24 CFR 983.258]

The owner may collect a security deposit from the tenant. The AHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The AHA has no liability or responsibility for payment of any amount owed by the family to the owner.

17-VII.C. MOVES

Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]

If the AHA determines that a family is occupying a wrong size unit, based on the AHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the AHA must promptly notify the family and the owner of this determination, and the AHA must offer the family the opportunity to receive continued housing assistance in another unit.

AHA Policy

The AHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the AHA's determination. The AHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBV assistance in the same building or project;
- PBV assistance in another project; and
- Tenant-based voucher assistance.

If the AHA offers the family a tenant-based voucher, the AHA must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the AHA).

If the AHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the AHA, or both, the AHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the AHA.

Family Right to Move [24 CFR 983.260]

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the AHA. If the family wishes to move with continued tenant-based assistance, the family must contact the AHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, the AHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the AHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.261, FR Notice 11/24/08]

Generally, the AHA may not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a project.

Exceptions are allowed and PBV units are not counted against the 25 percent or 25-unit per project cap if:

- The units are exclusively for elderly families
- The units are for households eligible for supportive services available to all families receiving PBV assistance in the project
- The project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) eliminated the project cap exemption for projects that serve disabled families and modified the exception for supportive services. Projects where these caps were implemented prior to HOTMA may continue to use the former exemptions and may renew their HAP contracts under the old requirements, unless the AHA and owner agree to change the conditions of the HAP contract. However, this change may not be made if it would jeopardize an assisted family's eligibility for continued assistance in the project.

The project must make supportive services available to all families receiving PBV assistance in the project, but the family does not actually have to accept and receive supportive services for the exception to apply to the unit. It is not necessary that the services be provided at or by the project, but must be reasonably available to families receiving PBV assistance at the project and designed to help families in the project achieve self-sufficiency or live in the community as independently as possible. The AHA will not require participation in the supportive service as a condition of living in the excepted unit, although such services may be offered.

Projects Previously Subject to a Federal Rent Restrictions Not Subject to a Project Cap [FR Notice 1/18/17]

PBV units that were previously subject to certain federal rent restrictions or were receiving another type of long-term housing subsidy provided by HUD are exempt from the project cap. All units in these projects may receive PBV assistance. To qualify for the exception, the unit must:

- Be covered by a PBV HAP contract that first became effective on or after 4/18/17; and
- In the five years prior to the date the AHA either issued the RFP under which the project was selected or the AHA selected the project without competition, the unit met at least one of the two following conditions:
    1. The unit received Public Housing Capital or Operating Funds, Project-Based Rental Assistance, Housing for the Elderly (Section 303), Housing for Persons with disabilities (Section 811), the Rental Supplement program,
    2. The unit was subject to a rent restriction as a result of one of the following HUD loans or insurance programs: Section 236, Section 221(d)(3) or (d)(4) BMIR, Housing for the Elderly (Section 202), or Housing for Persons with

Disabilities (Section 811). Units that were previously receiving PBV assistance are not covered by the exception. Both existing and rehabilitation units are eligible for this exception. Newly constructed units qualify if they meet the definition of *replacement unit* described in FR Notice 1/18/17.

Types of Services

The AHA may attach PBV assistance to units for occupancy by families in need of services. This may include disabled families or families in need of particular supportive services. Families will not be required to accept and receive supportive services for the exception to apply to the unit. The types of services may include, but are not limited to:

1) Household Training (i.e., homemaking, parenting skills, money management);

2) Job Training (preparation and counseling, job development and placement;

3) Self Sufficiency Services and Resources (appropriate to assist families to achieve economic independence and self-sufficiency);

4) Remedial Education (education for the completion of Secondary or post-secondary education);

5) Substance Abuse Treatment (counseling and treatment for substance abuse)

The AHA may not require participation in the supportive service as a condition of living in the excepted unit, although such services may be offered. If supportive services are offered, they must be available to all families receiving assistance in the project. Although such services may be offered, a household occupying an "excepted" unit cannot be required to participate in medical or disability-related services as a condition of occupancy, except for drug and alcohol treatment in the case of abusers. The family may continue in occupancy in the "excepted" unit after they have successfully completed their supportive services contractual obligations. In this instance, the units will continue to count as "excepted" units for as long as the family eligibly resides in the unit. It is not necessary that the services be provided at or by the project, if they are approved services.

Remaining Members Residing in an Excepted Unit

When a family (or remaining members of a family) residing in an excepted unit no longer meets the criteria for a "qualifying family" because the family is no longer an elderly family due to a change in family composition, the AHA has the discretion to allow the family to remain in the excepted unit. If the AHA does not exercise this discretion, the family must vacate the unit within a reasonable period of time established by the AHA, and the AHA must cease paying housing assistance payments on behalf of the non-qualifying family.

Individuals in units with supportive services who choose to no longer participate in a service or who no longer qualify for services they qualified for at the time of initial occupancy cannot subsequently be denied continued housing opportunity because of this changed circumstance.

PART VIII: DETERMINING RENT TO OWNER

17-VIII.A. OVERVIEW

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the tem of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

17-VIII.B. RENT LIMITS [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the AHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

Certain Tax Credit Units [24 CFR 983.301(c), FR Notice 11/24/08]

For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds a AHA-determined amount (not to exceed 110 percent of the fair market rent or any approved exception payment standard);

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

However, AHAs are permitted to use the higher Section 8 rent for a tax credit unit if the tax credit rent is less than the amount that would be permitted under Section 8. In these cases, Section 8 rent reasonableness requirements must continue to be met.

Definitions

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]

When determining the initial rent to owner, the AHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, the AHA must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, the AHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, the AHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

> AHA Policy
>
> The AHA will use published FMR and utility allowance schedule in effect at the time the HAP contract is executed or at the time of rent redetermination.

Redetermination of Rent [24 CFR 983.302]

The AHA must redetermine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from the AHA, it must be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request must be in writing and in the form and manner required by the AHA. The AHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

> AHA Policy
>
> An owner's request for a rent increase must be submitted to the AHA 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

The AHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

Notice of Rent Change

The rent to owner is redetermined by written notice by the AHA to the owner specifying the amount of the redetermined rent. The AHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

> AHA Policy
>
> The AHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

AHA-Owned Units [24 CFR 983.301(g)]

For AHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The AHA must use the rent to owner established by the independent entity.

17-VIII.C. REASONABLE RENT [24 CFR 983.303]

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the AHA.

When Rent Reasonable Determinations Are Required

The AHA must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The AHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the AHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the AHA. The comparability analysis may be performed by AHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

AHA-Owned Units

For AHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for AHA-owned units to the AHA and to the HUD field office where the project is located.

Owner Certification of Reasonable Rent

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the AHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

17-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL

In addition to the rent limits discussed in Section 17-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 17-II.D).

Other Subsidy [24 CFR 983.304]

At its discretion, a AHA may reduce the initial rent to owner because of other governmental subsidies, including grants and other subsidized financing.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

Rent Control [24 CFR 983.305]

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

PART IX: PAYMENTS TO OWNER

17-IX.A. HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]

During the term of the HAP contract, the AHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the AHA agree on a later date.

Except for discretionary vacancy payments, the AHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the AHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

17-IX.B. VACANCY PAYMENTS [24 CFR 983.352]

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the AHA determines that the vacancy is the owner's fault.

> AHA Policy
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> If the AHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to the keep the housing assistance payment, the AHA will notify the landlord of the amount of housing assistance payment that the owner must repay. The AHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

At the discretion of the AHA, the HAP contract may provide for vacancy payments to the owner. The AHA may only make vacancy payments if:

- The owner gives the AHA prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the AHA to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by the AHA and must provide any information or substantiation required by the AHA to determine the amount of any vacancy payment.

AHA Policy

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the AHA of the vacancy in accordance with AHA Vacancy Loss policy.

In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the AHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the AHA within 10 business days of the AHA's request, no vacancy payments will be made.

17-IX.C. TENANT RENT TO OWNER [24 CFR 983.353]

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the AHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the AHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the AHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the AHA. The owner must immediately return any excess payment to the tenant.

Tenant and AHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the AHA.

Likewise, the AHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The AHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The AHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, the AHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The AHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the AHA chooses to pay the utility supplier directly, the AHA must notify the family of the amount paid to the utility supplier.

AHA Policy

The AHA will make utility reimbursements to the family.

17-IX.D. OTHER FEES AND CHARGES [24 CFR 983.354]

Meals and Supportive Services

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

APPENDIX I

VAWA Policy

- The AHA may not seek to evict, terminate the tenancy of, or terminate the Section 8 subsidy of a victim of actual or threatened domestic violence, dating violence, or stalking [as defined below but hereafter collectively referred to as "domestic violence"] because of the actions of the abuser. In appropriate circumstances where the AHA may otherwise have grounds to evict the household, or terminate the household's Section 8 subsidy, the AHA may seek to remove or evict the abuser, through court process or with the consent of the victim (regardless of who is designated as head of household on the lease).

- The AHA shall not terminate participation in the Section 8 program because the family leaves a contract unit due to domestic violence, whether or not the family provided any termination notice to the AHA or owner and whether or not the lease was otherwise terminated.

- For Section 8 and public housing tenancies, where property damage is caused by an abuser, the AHA shall not seek to terminate the Section 8 subsidy or evict from public housing the victim of domestic violence. Additionally, in such circumstances, the AHA may not charge the victim for the property damage, but instead may seek recovery from the abuser.

- Where nonpayment of rent or other charges due the AHA is caused by the abuser, and where the victim of domestic violence removes said abuser from the lease, the AHA shall offer the remaining household members a reasonable repayment plan (without charging late fees or costs) and shall not evict the remaining household members for such nonpayment so long as they substantially comply with said plan.

- The AHA may offer public housing and Section 8 tenants an immediate transfer where moving would allow the family to escape or remain free from actual or threatened domestic violence. Said transfer offer may include providing the next available housing choice voucher, providing a public housing unit, and/or developing reciprocity arrangements with another PHA to facilitate the person's relocation.

- The AHA may not deny admission to public housing or Section 8 programs because the applicant or member of the applicant's family are or were victims of domestic violence. Where the AHA receives adverse information about an applicant/household member and is aware that domestic violence might be involved, the AHA shall determine whether there is a substantial connection between the adverse information and the fact that the applicant/household member is a victim of domestic violence. If the AHA determines that there is such a connection, then the AHA shall disregard the adverse information (provided that the abuser will not be part of the applicant's household). A substantial connection includes, but is not limited to, where a victim loses financial support (e.g. her job or abuser's wages) due to domestic violence and is evicted (or receives a negative landlord reference) for late or nonpayment of rent; where a victim is evicted or receives a negative landlord reference due to property damage and/or noise or other interference with neighbors caused by the abuser; and where a victim receives a negative landlord reference for breaking a lease prior to its expiration due to domestic violence.

- All information obtained by the AHA relative to the incidents of abuse AHA shall be retained by the AHA in confidence, shall not be entered into any AHA shared database, and shall not be provided to any person or entity except to the extent that disclosure is authorized in writing by the victim (or victim's caretaker), required for use in an eviction, or otherwise provided by applicable law.

- A copy of this policy AHA shall be distributed to all existing public housing tenants and Section 8 tenants within a reasonable time after its adoption and, thereafter, shall be distributed to applicants at the final briefing prior to admission to the Section 8 or public housing programs. It shall also be posted at the AHA's offices and made available to anyone upon request.

For the purpose of this policy, the following definitions apply:

- Domestic Violence: The term "domestic violence" includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim AHA shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of a victim under the state's domestic or family violence laws, or by any other person against an adult or youth victim who is protected from that person's acts under the state's domestic or family violence laws.

- Dating Violence: The term "dating violence" means violence committed by a person

- who is or has been in a social relationship of a romantic or intimate nature with the victim; and

- where the existence of such a relationship shall be determined based on a consideration of the following factors:

  - the length of the relationship;
  - the type of relationship;
  - the frequency of interaction between the persons Involved in the relationship.

Stalking: The term "stalking" means

- (i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and
  (ii) to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and

- in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or cause substantial emotional harm to –

  - that person;
  - a member of the immediate family of that person; or
  - the spouse or intimate partner of that person

<u>Handling Moves with Continued Tenant-Based Assistance</u>

Victims of domestic violence, dating violence, sexual assault, or stalking, may need to move to protect their health or safety. The VAWA Final Rule provides several exceptions for such victims to enable them to move with continued assistance in the tenant-based voucher program.

In accordance with 24 CFR 982.354(c)(2)(iii), the PHA's policies on restricting timing and number of moves do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member.

The VAWA Final Rule at 24 CFR 982.354 (HCV) and 24 CFR 983.261(c)(1) (PBV) provides that a PHA may not terminate assistance if the family, with or without prior notification to the PHA, has already moved out of a unit in violation of a lease, if such a move occurred to protect the health or safety of a family member who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking; and who reasonably believed they were imminently threatened by harm from further violence if they remained in the dwelling unit, or if any family member has been the victim of sexual assault that occurred on the premises during the 90-calendar-day period preceding the family's request to move.

Violence Against Women Reauthorization Act of 2013

Summary of Key Changes in VAWA 2013:

VAWA 2013 expands housing protections to victims of sexual assault. The current regulatory language at 24 CFR part 5, subpart L describes protections for "victims of domestic violence, dating violence, or stalking," but effective March 7, 2013 (the date that VAWA 2013 was signed into law) these protections were expanded to include victims of sexual assault.

VAWA 2013 expands protections relating to the prohibition of terminating assistance because of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking (currently at 24 CFR 5.2005(c)(2)) by replacing the term "immediate family member" with "affiliated individual". VAWA 2013 provides that criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant or an *affiliated individual* of the tenant is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking (emphasis added). VAWA 2013 defines an "affiliated individual", with respect to an individual, as a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual. VAWA 2013 expands the protections regarding lease bifurcations (currently at 24 CFR 5.2009(a)) by:

Changing the language regarding the violent acts ("criminal acts of physical violence against family members or others" becomes "criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual"), and mandating that if such bifurcation occurs, and the removed tenant or lawful occupant was the sole tenant eligible to receive assistance under a covered housing program, AHA shall provide any remaining tenant the opportunity to establish eligibility for the covered housing

program. If the remaining tenant cannot establish eligibility, AHA is required to provide the tenant a reasonable time to find new housing or to establish eligibility under another covered housing program. HUD will provide through rulemaking or guidance, as may be applicable, what constitutes a reasonable time for remaining tenants to find new housing or establish eligibility under another HUD covered housing program.

VAWA 2013 expands the forms of documentation that a victim may provide. Specifically, VAWA 2013 provides that the forms of documentation of a victim may provide (currently at 24 CFR 5.2007(b) (2)-(3), and listed on the form HUD-50066) also include a record of an administrative agency, and documentation from a mental health professional. Additionally, VAWA 2013 provides that the victim is required to provide the name of the perpetrator on the HUD-50066 only if the name of the perpetrator is safe to provide and is known to the victim.

VAWA 2013 expands the notification requirements (currently at 24 CFR 5.2005(a)(1)) to require that PHAs provide the notice when a person is denied assistance, when a person is admitted, and when a tenant is notified of eviction or termination of housing benefits, and to require that the notice be provided together with form HUD-50066.

Additionally, the Notice of Occupancy Rights under the Violence Against Woman Act, HUD form 5380 and HUD form 5382 is provided:

<u>for applicants:</u>

- at the time the individual is provided assistance of admission; and
- at the time the applicant is denied assistance or admission

<u>for tenants/participants:</u>

- with any PHA notification of eviction or termination of assistance; and
- during PHA recertification or lease renewal.

The VAWA Notice of Occupancy Rights will be made available in multiple languages, consistent with guidance issued by HUD in accordance with Executive Order 13166 singed August 11, 2000, and published in the Federal Register on August 16, 2000 to all applicants and at recertification time of all participants of the Housing Choice Voucher Program. VAWA 2013 requires that HUD develop the notice of rights that PHAs are required to provide to applicants/participants.

APPENDIX II

ADDENDUM TO THE HCVP ADMINISTRATIVE PLAN
STATEMENT OF PLANS TO AFFIRMATIVELY FURTHER FAIR HOUSING
Approved: May 15, 2015

The AHA will maintain records with the HCV Administrator and/or Executive Director of all steps taken to affirmatively further fair housing in its HCV program. Record keeping will include information on race, ethnicity, familial status and disability status of program participants.

The Amesbury Housing Authority agrees to comply with the affirmatively furthering fair housing requirements of 24CFR Section 903.7(o) by:

- Examining its programs or proposed programs;
- Identifying any impediments to fair housing choice within those programs;
- Addressing those impediments in a reasonable fashion in view of the resources available;

- Working with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the AHA's involvement; and
- Maintaining records reflecting these analyses and actions.

In addition, the AHA will take the following proactive steps in addressing accessibility problems for persons with disabilities:

- Where requested by an individual, assist program applicants and participants gain access to supportive services available within the community, but not require eligible applicants or participants to accept supportive services as a condition of continued participation in the program;
- Identify public and private funding sources to assist participants with disabilities in covering the costs of structural alterations and other accessibility features that are needed as accommodations for their disabilities;
- Not deny persons who qualify for a HCV under this program other housing opportunities, or otherwise restrict access to AHA programs to eligible applicants who choose not to participate;
- Provide housing search assistance;
- In accordance with rent reasonableness requirements, approve higher rents to owners that provide accessible units with structural modifications for persons with disabilities; and
- Provide technical assistance, through referrals to local fair housing and equal opportunity offices, to owners interested in making reasonable accommodations or units accessible to persons with disabilities.

The AHA will also make buildings and communications that facilitate applications and service delivery accessible to persons with disabilities. Furthermore the AHA will make referrals to fair housing agencies as the need arises and will inform participants of how to file a fair housing complaint both through tenant briefings and through written pamphlets available in the leased housing department. The AHA will provide the HUD toll free number for the Housing Discrimination Hotline 1-800 669-9777 and the Federal Information Relay Service at 800-8878339.

It is the intention of the Amesbury Housing Authority to comply fully with all Federal, State, and local antidiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in rental assistance and employment and any laws, rules and/or regulations subsequently enacted, protecting the rights of participants, applicants and/or staff.

The AHA shall not deny any family the opportunity to apply for or receive assistance or otherwise discriminate under the Section 8 programs on the basis of race, color, sex, religion, creed, national origin, ethnicity, age, familial or marital status, handicap, disability, or sexual orientation. To further its commitment to full compliance with applicable Civil Rights laws, the AHA provides Federal, State, and local information to Voucher holders regarding discrimination and the recourses available to them if they are victims of discrimination. Such information is made available during the family’s briefing session. Applicable Fair Housing Information and Discrimination Complaint Forms are included within the applicant's briefing packet.

Except as otherwise provided, no person with a disability shall be denied the benefits of, excluded from participation in, or otherwise subjected to discrimination because the AHA's facilities are inaccessible to a person with a disability. Posters and housing information are displayed in locations throughout the AHA's office in such a manner as to be easily readable from a wheelchair. Accessibility for the hearing impaired is provided by Comcast telephone number by use of 711 dialing code to access telecommunications relay services (TRS). The process for submitting applications or any other documents required for participation in the AHA's programs shall be accessible to all persons. All communications that are part of the process should be in plain language that the applicant can understand, in a form that is appropriate to meet the needs of the person with a disability. If necessary, a format other than written documents should be used. The AHA shall take appropriate steps to assure effective communication with participants who are disabled, and shall furnish appropriate auxiliary aids (e.g., qualified sign language and oral interpreters, readers, use of taped materials) where necessary to facilitate communication with an individual who has a disability. Auxiliary aids shall be furnished in a timely manner. If a participant requests an extension of any deadline because of a delay in providing effective communication, such a request shall be considered. The AHA is not required to provide personal items such as hearing aids, magnifying eyeglasses, or readers for personal study.

Documents intended for use by families shall be made available promptly by the AHA in accessible formats for individuals who are visually impaired. The AHA shall also prepare such documents in clear and simple language, to the extent possible, to assist persons with learning and cognitive disabilities. If requested by persons with such disabilities. AHA staff will explain written material verbally and possibly more than once, and if necessary, assist the individuals or obtain assistance for them in filling out any necessary forms.

The AHA will take appropriate steps to assure that all persons with a disability who are eligible for a rental assistance program are provided with the information necessary to participate in the program. The AHA will also take appropriate steps to assure that all persons with a disability can obtain information concerning the existence and location of accessible programs, services, activities and facilities.

APPENDIX III

CODE OF CONDUCT

Confirmed: May 15, 2015

The Massachusetts conflict of interest law, Chapter 268A of the Massachusetts General Laws, prohibits public employees from soliciting or accepting gratuities of substantial value for or because of their official duties. The law covers all state, county, and municipal employees, as well as employees of independent state authorities, districts, and commissions. The State Ethics Commission, which enforces the conflict of interest law, is authorized to impose civil fines of up to $2,000 for each violation of the law and to recover damages. The law also carries criminal penalties, including fines and terms of imprisonment.

The conflict of interest law encourages public agencies to establish and enforce standards of conduct. This Code of Conduct is designed to supplement the conflict of

interest law by setting standards of conduct for all employees with respect to relationships with individuals and entities with whom the public sector conducts official business. The purpose of this Code is to preserve the integrity of these relationships and to maintain the highest level of public confidence in the impartial operation of government.

This Code prohibits certain activities that could result in a conflict of interest or create the appearance of a conflict of interest. Exceptions to the Code's prohibitions are limited to specific circumstances in which an overriding public interest is served by the exception or in which the relationship in question is primarily personal.

The Massachusetts Office of the Inspector General has developed this Code for use by public agencies throughout the Commonwealth. Five major areas are addressed by this Code: gifts and gratuities, reimbursement of travel expenses, honoraria, testimonial and retirement functions, and groundbreaking and dedication ceremonies. This Code is not all-inclusive. It does not regulate every conceivable situation in which a public employee may be offered gifts or other items of monetary value. It does not address other activities prohibited by the conflict of interest law, such as bribery, participation in official matters affecting one's financial interests or those of one's family or business, and misuse of one's official position. For information or advice on matters not covered by this Code, guidance may be sought from local counsel and from the State Ethics Commission. As used in this Code, "we" and "our" refer to the agency adopting this Code; "you" refers to the agency's employees or members.

CODE OF CONDUCT

I. GIFTS AND GRATUITIES

A. General Restrictions

You may not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or other item of monetary value from a person, public agency, or private entity you know or have reason to know:

- Has had, has, or is seeking to obtain contractual or other business or financial relations with us;

- Conducts or is seeking to conduct business or other activities that are regulated or monitored by us; or

- Has interests that may be or may give the reasonable impression of being substantially affected by the performance or nonperformance of your official duties.

Example: You may not accept a restaurant lunch from a consultant employed by a firm under contract to us.

Example: You may not accept a Christmas gift from a vendor seeking business with us.

Example: You may not accept a ticket to a sporting event from an individual whose business we regulate.

B. Exceptions

- You may accept gifts in cases involving a family or personal relationship when the circumstances make clear that the relationship is the motivation for the gift.

- You may accept nonalcoholic beverages, such as coffee or tea, from public or private entities.

- You may attend and accept food and beverages at seasonal or celebratory functions, such as Christmas, birthday, or retirement parties, hosted by public entities.

- You may accept food and beverages in connection with attendance at working meetings held in the office of a public entity.

- You may accept food and beverages in connection with attendance at widely attended meetings or gatherings held by a private trade or professional association in an office or other business setting when you are attending the meeting or

gathering in your official capacity for informational, educational, or other similar purposes.

Example: You may accept a modest meal served in a restaurant function room in conjunction with an informational, widely attended meeting hosted by a professional association.

Example: You may not accept food and beverages at a hospitality suite hosted by one or more private firms.

- You may accept loans from banks or other financial institutions to finance proper and usual customer activities, such as home mortgage loans and automobile loans. If the bank or financial institution is an entity with which you have or might reasonably expect to have dealings in your official capacity, you must be able to demonstrate that the loan has been granted on current customary terms; you must also provide written disclosure of the loan to your supervisor. The previous sentence does not apply if your duties or anticipated duties with respect to the bank are limited to obtaining third-party records.

- You may accept unsolicited advertising or promotional materials of nominal value.

Example: You may accept an unsolicited, inexpensive promotional pen or calendar.

Example: You may not accept a leather portfolio.

II. REIMBURSEMENT OF TRAVEL EXPENSES

A. General Restrictions

You may not accept reimbursement for travel expenses from a person or entity who falls within the scope of Section IA, above.

B. Exceptions

- If you deliver a speech or participate in a conference, we may elect to accept reimbursement from the sponsor of the speech or conference for your actual and necessary travel expenses. In this case, we -- not the sponsor -- will pay or reimburse you in accordance with our travel policy, and bill the sponsor for the appropriate amount.

- If we determine that employee travel is a necessary component of a vendor evaluation process, we may elect to require competing vendors to reimburse us for

actual and necessary travel expenses incurred in connection with the evaluation. In this case, we -- not the vendors -- will pay or reimburse you in accordance with our travel policy. The publicly advertised request for proposals or invitation for bids must set forth our procedures for calculating and billing all competing vendors for the appropriate amounts.

III. HONORARIA

A. General Restrictions

You may not accept honoraria or other monetary compensation from an outside source in return for a public appearance, speech, lecture, publication, or discussion unless all of the following conditions are met:

- Preparation or delivery of the public appearance, speech, lecture, publication, or discussion is not part of your official duties;

- Neither the sponsor nor the source, if different, of the honorarium is a person or entity who falls within the scope of Section IA, above;

- You do not use office supplies or facilities not available to the general public in the preparation or delivery of the public appearance, speech, lecture, publication, or discussion; and

- You do not take office time for the preparation or delivery of the public appearance, speech, lecture, publication, or discussion.

Example: You may accept an honorarium for a magazine article prepared outside working hours.

Example: You may not accept an honorarium for delivering a speech in your official capacity.

B. Exceptions

You may accept awards, certificates, or other items of nominal value given for a speech, participation in a conference, or a public contribution or achievement.

Example: You may accept a framed certificate of appreciation.

Example: You may not accept an engraved pewter bowl.

IV. TESTIMONIAL AND RETIREMENT FUNCTIONS

A. General Restrictions*

*[Note: M.G.L. c.268, §9A prohibits anyone from selling, offering for sale, or accepting payment for tickets to, or soliciting or accepting contributions for, testimonial dinners or functions held on behalf of anyone employed by a law enforcement, regulatory, or investigatory agency of the Commonwealth or any political subdivision of the Commonwealth. The law carries a maximum fine of $500.]

- You may not solicit contributions, sell tickets, or otherwise seek or accept payment for a testimonial or retirement function, or any function having a similar purpose, held for yourself or any other employee, if the contributor is a person or entity who falls within the scope of Section IA, above, and the admission price or payment exceeds the actual per-person cost of food and beverages served at the function.

  Example: You may not offer or sell tickets to a testimonial dinner to contractors doing business with us if the ticket price includes a contribution toward a gift.

- You may not accept food, beverages, or gifts at any testimonial or retirement function, or any function having a similar purpose, if such food, beverages, or gifts are paid for or subsidized by a person or entity who falls within the scope of Section IA, above.

  Example: You may not accept a free admission to a retirement luncheon if the cost of your admission is paid, directly or indirectly, by one or more contractors doing business with us.

  Example: You may not accept a retirement gift if the gift was paid for with the proceeds of tickets purchased by contractors doing business with us.

B. Exceptions - None

V. GROUNDBREAKING AND DEDICATION CEREMONIES

A. General Restrictions

- You may not request or require any person or entity who falls within the scope of Section IA, above, to sponsor or contribute to any groundbreaking ceremony, dedication ceremony, or similar occasion involving a public works project. If we determine that a groundbreaking or dedication ceremony for a public works project serves a legitimate public purpose, we may elect to fund such a ceremony. We may plan and pay for the ceremony. Alternatively, we may include the ceremony-related services in the construction bid specifications for the public works project.

- You may not accept food, beverages, or gifts at any groundbreaking ceremony, dedication ceremony, or similar occasion involving a public works project if the food, beverages, or gifts are paid for or subsidized by a person or entity who falls within the scope of Section IA, above.

B. Exceptions – None

ADDENDUM IV

HOUSING CHOICE VOUCHER HOME OWNERSHIP PROGRAM

Confirmed: May 15, 2015

I. GENERAL PROVISIONS.

The Housing Choice Voucher Home Ownership Program of the Amesbury Housing Authority (AHA) permits eligible participants in the Housing Choice voucher program, including participants with portable vouchers, the option of purchasing a home with their Housing Choice Voucher assistance rather than renting. The home ownership option is limited to five percent (5%) of the total Housing Choice Voucher program administered by AHA in any fiscal year, provided that disabled families shall not be subject to the 5% limit. If applications exceed such 5% limit, participants in a Family Self Sufficiency ("FSS") program shall receive a priority for participation in the home ownership program.

Eligible applicants for the Housing Choice Voucher home ownership program must have completed an initial Housing Choice Voucher lease term, may not owe AHA or any other Housing Authority an outstanding debt, and must meet the eligibility criteria set forth herein.

Housing Choice Voucher home ownership assistance may be used to purchase the following type of homes within the City of Amesbury: new or existing single-family, condominium, planned use developments, cooperatives, lofts, live/work units, or manufactured homes. AHA also will permit portability of Housing Choice Voucher home ownership assistance to another jurisdiction, provided the receiving jurisdiction operates a Housing Choice Voucher home ownership program for which the Housing Choice Voucher home ownership applicant qualifies or authorizes AHA to administer the home ownership assistance in their jurisdiction.

II. FAMILY ELIGIBILITY REQUIREMENTS.

Participation in the Housing Choice Voucher home ownership program is voluntary. Each Housing Choice Voucher home ownership participant must meet the general requirements for admission to the Housing Choice Voucher housing choice voucher program as set forth in AHA's Administrative Plan. Such Housing Choice Voucher family also must be "eligible" to participate in the home ownership program. The additional eligibility requirements for participation in AHA's Housing Choice Voucher home ownership program include that the family must:

a) be a first-time homeowner or have a member who is a person with disabilities;
b) with the exception of elderly and disabled households, meet a minimum income requirement without counting income from "welfare assistance" sources;
c) with the exception of elderly and disabled households, meet the requisite employment criteria;

d) have completed an initial lease term in the housing choice voucher program;
e) have fully repaid any outstanding debt owed to AHA or any other Housing Authority;
f) not defaulted on a mortgage securing debt to purchase a home under the home ownership option; and
g) not have any member who has a present ownership interest in a residence at the commencement of home ownership assistance.

A. First-Time Homeowner

Each Housing Choice Voucher home ownership applicant, except families with a disabled member, must be a first-time homeowner. A "first-time homeowner" means that no member of the household has had an ownership interest in any residence during the three years preceding commencement of home ownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the Housing Choice Voucher homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an "ownership interest.". A member of a cooperative (as defined in 24 CFR 982.619) also qualifies as a "first time homeowner".

B. Minimum Income Requirement.

1. **Amount of Income**
   At the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members who will own the home, must have a gross annual income at least equal to the Federal minimum hourly wage multiplied by 2000 hours.

2. **Exclusion of Welfare Assistance Income**
   With the exception of elderly and disabled families, AHA will disregard any "welfare assistance" income in determining whether the family meets the minimum income requirement. Welfare assistance includes assistance from Temporary Assistance for Needy Families ("TANF"); Supplemental Security Income ("SSI") that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance specified by HUD. The disregard of welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the home ownership program. It does not affect the determination of income-eligibility for admission to the housing choice voucher program, calculation of the family's total tenant payment, or calculation of the amount of home ownership assistance payments.

C. Employment History

With the exception of disabled and elderly households, each family must demonstrate that one or more adult members of the family who will own the home at commencement of home

ownership assistance is employed full-time (an average of 30 hours per week) and has been so continuously employed for one year prior to execution of the sales agreement. In order to reasonably accommodate a family's participation in the program, AHA will exempt families that include a person with disabilities from this requirement. AHA's Executive Director may also consider whether and to what extent an employment interruption is considered permissible in satisfying the employment requirement. The Executive Director may also consider successive employment during the one-year period and self-employment in a business.

D. Completion of Initial Lease Term

Applicants for and new participants in the housing choice voucher program shall be ineligible for participation in the Housing Choice Voucher home ownership program until completion of an initial Housing Choice Voucher lease term and the participant's first annual recertification in the housing choice voucher program. Nothing in this provision will preclude Housing Choice Voucher participants that have completed an initial lease term in another jurisdiction from participating in the Housing Choice Voucher home ownership program.

E. Repayment of Any Housing Authority Debts

Participants in the Housing Choice Voucher housing choice voucher program shall be ineligible for participation in the Housing Choice Voucher home ownership program in the event any debt or portion of a debt remains owed to AHA or any other Housing Authority. Nothing in this provision will preclude Housing Choice Voucher participants that have fully repaid such debt(s) from participating in the Housing Choice Voucher home ownership program.

F. Additional Eligibility Factors

(1) Elderly and Disabled Households.

Elderly and disabled families are exempt from the employment requirements set forth in Section 2. C. above. In the case of an elderly or disabled family, AHA will consider income from all sources, including welfare assistance in evaluating whether the household meets the minimum income required to purchase a home through the Housing Choice Voucher home ownership program.

(2) Preference for Participation in FSS Program.

Applicants for the home ownership program are not required to participate in a Family Self Sufficiency ("FSS") program in order to participate in the home ownership program. However, in the event the applications for home ownership assistance exceed five percent (5%) of AHA's total voucher program in any fiscal year, FSS participants shall have a preference for participation in the home ownership program. Participants

in an Individual Development Account ("IDA") program administered by an agency other than AHA also will receive a preference for home ownership assistance in the event applicants for home ownership assistance exceed the 5% limitation.

(3) Prior Mortgage Defaults.

If a head of household, spouse, or other adult household member who will execute the contract of sale, mortgage and loan documents has previously defaulted on a mortgage obtained through the Housing Choice Voucher home ownership program, the family will be ineligible to participate in the home ownership program.

III. FAMILY PARTICIPATION REQUIREMENTS.

Once a family is determined to be eligible to participate in the program, it must comply with the following additional requirements: (A) complete a home ownership counseling program approved by AHA prior to commencement of home ownership assistance; (B) within a specified time, locate the home it proposes to purchase; (C) submit a sales agreement containing specific components to AHA for approval; (D) allow AHA to inspect the proposed home ownership dwelling to assure that the dwelling meets appropriate housing quality standards; (E) obtain an independent inspection covering major building systems; (F) obtain AHA approval of the proposed mortgage (which must comply with generally accepted mortgage underwriting requirements); and (G) enter into a written agreement with AHA to comply with all of its obligations under the Housing Choice Voucher Program.

A. Home Ownership Counseling Program.

A family's participation in the home ownership program is conditioned on the family attending and successfully completing a home ownership and housing counseling program provided or approved by AHA prior to commencement of home ownership assistance. The home ownership and counseling program will cover home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing; finding a home; and the advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families and how to locate homes in such areas; information on fair housing, including fair housing lending and local fair housing enforcement agencies. Information about the Real Estate Settlement procedure Act (12 U.S.C 2601 ET. Seq.) (RESPA), state and federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

The counseling agency providing the counseling program shall either be approved by HUD or the program shall be consistent with the home ownership counseling provided under HUD's Housing Counseling program. AHA may require families to participate in an AHA-approved home ownership counseling program on a continuing basis.

B. Locating and Purchasing a Home

1. **Locating a Home**
   Upon approval for the Housing Choice Voucher home ownership program, a family shall have one hundred eighty (180) days to locate a home to purchase. A home shall be considered located if the family submits a proposed sales agreement with the requisite components to AHA. For good cause, AHA may extend a Housing Choice Voucher family's time to locate the home for additional thirty (30) day increments. During a Housing Choice Voucher participant's search for a home to purchase, their Housing Choice Voucher rental assistance shall continue pursuant to the Administrative Plan. If a Housing Choice Voucher participant family is unable to locate a home within the time approved by AHA, their Housing Choice Voucher rental assistance through the Housing Choice Voucher program shall continue.

2. **Type of Home.**
   A family approved for Housing Choice Voucher home ownership assistance may purchase the following type of homes within the City of Amesbury: a new or existing home, a single-family home, a condominium, a home in a planned use development, a cooperative, a loft or live/work unit, or a manufactured home to be situated on a privately owned lot or on a leased pad in a mobile home park. The home must be already existing or under construction at the time AHA determines the family eligible for home ownership assistance [to purchase the unit (24 CFR 982.628(a)(2).]. The family also may purchase a home in a jurisdiction other than the City of Amesbury, provided the Housing Authority in the receiving jurisdiction operates a Housing Choice Voucher home ownership program for which the Housing Choice Voucher home ownership applicant qualifies or authorizes AHA to administer the home ownership assistance in their jurisdiction. In the former case, a family's participation in the Housing Choice Voucher home ownership program will be subject to the Housing Choice Voucher home ownership program and policies of the receiving jurisdiction. The AHA will provide HCV Homeownership opportunities in <u>any</u> contiguous community in Massachusetts.

3. **Purchasing a Home.**
   Once a home is located and a sales agreement approved by AHA is signed by the family, the family shall have up to three (3) months, or such other time as is approved by AHA's Executive Director or set forth in the AHA-approved sales agreement, to purchase the home.

4. **Failure to Complete Purchase.**
   If a Housing Choice Voucher participant is unable to purchase the home within the maximum time permitted by AHA, AHA shall continue the family's participation in the Housing Choice Voucher housing choice voucher program. The family may not re-apply for the Housing Choice Voucher home ownership program until they have completed an additional year of participation in the

Housing Choice Voucher program following the initial determination of their eligibility for the home ownership option.

5. Lease-Purchase

Families may enter into lease-purchase agreements while receiving Housing Choice Voucher rental assistance. All requirements of the housing choice voucher program apply to lease-purchase agreements, except that families are permitted to pay an extra amount out-of-pocket to the owner for purchase related expenses-- a "home ownership premium." Any "home ownership premium," defined as an increment of value attributable to the value of the lease-purchase right or agreement, is excluded from AHA's rent reasonableness determination and subsidy calculation, and must be absorbed by the family. When a lease-purchase participant family is ready to exercise their option, they must notify the Home Ownership Counselor at AHA and apply for the home ownership option. If determined eligible for home ownership assistance, the family may be admitted to the home ownership program and must meet all the requirements of these policies.

C. Sales Agreement

Prior to execution of the offer to purchase or sales agreement, the financing terms must be provided by the family to AHA for approval. The sales agreement must specify the price and other terms of sale by seller to purchaser; must provide for inspection by AHA and the independent inspection referred to in Section 3(D) and must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to AHA. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs without approval by AHA. The Sales agreement must provide that the purchaser is not obligated to purchase if the mortgage financing terms are not approved by AHA pursuant to Section 3(F). The sales agreement must also contain a seller certification that the seller is not debarred, suspended, or subject to a limited denial of participation under CFR part 24.

D. Independent Initial Inspection Conducted

To assure the home complies with the housing quality standards of the Housing Choice Voucher (HCV) program, home ownership assistance payments may not commence until AHA first inspects the home and has determined that the unit passes HQS. An independent inspection of existing homes covering major building systems also must be completed by a qualified professional selected by the family and approved by AHA. AHA will not pay for the independent inspection. The independent inspection report must be provided to AHA. AHA may disapprove the unit due to information contained in the report or for failure to meet federal housing quality standards.

E. Financing Requirements

The proposed financing terms must be submitted to and approved by AHA prior to close of escrow. AHA shall determine the affordability of the family's proposed financing. In making such determination, AHA may take into account other family expenses, including but not limited to child care, unreimbursed medical expenses, education and training expenses and the like. Certain types of financing, including but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by AHA. Seller-financing mortgages shall be considered by AHA on a case by case basis. If a mortgage is not FHA-insured, AHA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/ FHA, Ginnie Mae, Fannie Mae, Freddie Mac, Massachusetts Housing Finance Agency (MHFA), USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institution.

F. Compliance with Family Obligations

A family must agree, in writing, to comply with all family obligations under the Housing Choice Voucher Program and AHA's home ownership policies. These obligations include (1) attending ongoing home ownership counseling, if required by AHA; (2) complying with the mortgage terms; (3) not selling or transferring the home to anyone other than a member of the assisted family who resides in the home while receiving home ownership assistance; (4) not refinancing or adding debt secured by the home without prior approval by AHA; (5) not obtaining a present ownership interest in another residence while receiving home ownership assistance; and (6) supplying all required information to AHA, including but not limited to annual verification of household income, notice of change in home ownership expenses, notice of move-out, and notice of mortgage default. AHA's Home Ownership Family Obligation policies are set forth in Appendix A hereto.

G. Compliance Lien

Upon purchase of a home, the family must execute documentation as required by HUD and AHA, consistent with State and local law, securing AHA's right to recapture the home ownership assistance in accordance with Section 4 D below. The lien securing the recapture of home ownership subsidy may be subordinated to a refinanced mortgage.

[Note: Moving to another home in the same PHA jurisdiction, as well as buying another home in another PHA jurisdiction, is permitted with continued use of homeownership assistance. See 24 CFR 982.636 & 637.]

IV. AMOUNT OF ASSISTANCE.

The amount of the monthly assistance payment will be based on three factors: the voucher payment standard for which the family is eligible; the monthly home ownership expense; and the family's household income. AHA will pay the lower of either the payment standard minus the total tenant payment ("TTP") or the family's monthly home ownership expenses minus the TFC. The Housing Choice Voucher family will pay the difference.

A. Determining the Payment Standard.

The voucher payment standard is the fixed amount the AHA annually establishes as the "fair market" rent for a unit of a particular size located within the AHA jurisdiction. In the home ownership program, the initial payment standard will be the lower of either (1) the payment standard for which the family is eligible based on family size; or (2) the payment standard which is applicable to the size of the home the family decides to purchase. The payment standard for subsequent years will be based on the higher of: (1) the payment standard in effect at commencement of the home ownership assistance; or (2) the payment standard in effect at the most recent regular reexamination of the family's income and size. The initial payment standard, for purposes of this comparison, shall not be adjusted even if there is a subsequent decrease in family size. AHA will request HUD approval of a higher payment standard, up to 120% of the published Fair Market Rent limit, where warranted as a reasonable accommodation for a family that includes a person with disabilities.

B. Determining the Monthly Home Ownership Expense.

Monthly home ownership expense includes all of the following: principal and interest on the initial mortgage and any mortgage insurance premium (MIP) incurred to finance the purchase and any refinancing of such debt; real estate taxes and public assessments; homeowner's insurance; maintenance expenses per AHA allowance; costs of major repairs and replacements per AHA allowance (replacement reserves); utility allowance per AHA's schedule of utility allowances; principal and interest on mortgage debt incurred to finance major repairs, replacements or improvements for the home including changes needed to make the home accessible; and homeowner association dues, fees or regular charges assessed, if any. Home ownership expenses for a cooperative member may only include AHA approved amounts for the cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home; principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt; home insurance; the allowances for maintenance expenses, major repairs and replacements and utilities; and principal and interest on debt incurred to finance major repairs, replacements, or improvements, including changes needed to make the home accessible.

C. Determining the Total Tenant Payment

The TTP is that portion of the home ownership expense that the family must pay. It is generally 30% percent of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance), will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.

D. Payment to Family or Lender

AHA will provide the lender with notice of the amount of the housing assistance payment prior to close of escrow and will pay AHA's contribution towards the family's homeowner expense directly to the family, unless otherwise required by the lender. The

family will be responsible to submit the entire mortgage payment to the lender unless the lender requires direct payment of AHA's contribution.

V. TERMINATION OF HCV HOME OWNERSHIP ASSISTANCE.

A. Grounds for Termination of Home Ownership Assistance

1. **Failure to Comply with Family Obligations under HCV Program or AHA's Home Ownership Policies**.
   A family's home ownership assistance may be terminated if the family fails to comply with its obligations as described in 24 CFR 982.551 or 982.633 and in accordance with its own policy, HCV program requirements in 24 CFR 982.552 (grounds for denial or termination of assistance) or 24 CFR 982.553 (crime by family members), AHA home ownership policies, or if the family defaults on the mortgage. If required, the family must attend and complete ongoing home ownership and housing counseling classes. The family must comply with the terms of any mortgage incurred to purchase and/or refinance the home. The family must provide AHA with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; the family's household income and home ownership expenses on an annual basis; any notice of mortgage default received by the family; and any other notices which may be required pursuant to AHA home ownership policies. Except as otherwise provided in this Section, the family may not convey or transfer the home to any entity or person other than a member of the assisted family while receiving home ownership assistance. The PHA must terminate voucher homeownership assistance for any member of family receiving home ownership assistance that is dispossessed from the home pursuant to a judgement or order of foreclosure on any mortgage (whether PHA insured or non-FHA) securing debt incurred to purchase home, or any refinancing of such debt.

2. **Occupancy of Home**
   Home ownership assistance will only be provided while the family resides in the home. If the family moves out of the home, AHA will not continue home ownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse the AHA for home ownership assistance paid for the month the family moves out.

3. **Changes in Income Eligibility**
   A family's home ownership assistance may be changed in the month following annual recertification of the household income, but participation in the Housing Choice Voucher Home Ownership program shall continue until such time as the assistance payment amounts to $0 for a period of six (6) consecutive months.

4. **Maximum Term of Home Ownership Assistance**
   Notwithstanding the provisions of Section 5(A), subparagraphs 1 through 3, except for disabled and elderly families, a family may receive housing choice voucher home ownership assistance for not longer than ten (10) years from the date of close of escrow unless the initial mortgage incurred to finance purchase of the home has a term that is 20 years or longer, in which case the maximum term is 15 years. Families that qualify as elderly at the commencement of home ownership assistance are not subject to a maximum term limitation. Families that qualify as disabled families at the commencement of home ownership assistance or at any time during the provision of home ownership assistance are not subject to a maximum term limitation. If a disabled family or elderly family ceases to qualify as disabled or elderly, the appropriate maximum term becomes applicable from the date home ownership assistance commenced; provided, however, that such family shall be eligible for at least six additional months of home ownership assistance after the maximum term becomes applicable. The time limit applies to any member of the household who has an ownership interest in the unit during any time that home ownership payments are made, or is a spouse of any member of the household who has an ownership interest.

B. Procedure for Termination of Home Ownership Assistance.

A participant in the Housing Choice Voucher Home Ownership program shall be entitled to the same termination notice and informal hearing procedures as set forth in the Administrative Plan of the AHA for the housing choice voucher program.

VI. CONTINUED PARTICIPATION IN HOUSING CHOICE VOUCHER PROGRAM.

A. **Default on FHA-Insured Mortgage**.
   If the family defaults on an FHA-insured mortgage, AHA may permit the family to move with continued Housing Choice Voucher housing choice rental assistance if the family demonstrates that it has (a) conveyed title to the home to HUD or its designee, as required by HUD; and (b) moved from the home within the period established or approved by HUD.

B. Default on non-FHA-Insured Mortgage.
   If the family defaults on a mortgage that is not FHA-insured, AHA may permit the family to move with continued housing choice voucher rental assistance if the family demonstrates that it has (a) conveyed title to the home to the lender, to AHA or to its designee, as may be permitted or required by the lender; and (b) moved from the home within the period established or approved by the lender and/or AHA.

VII. AHA ADMINISTRATIVE FEE

For each month that home ownership assistance is paid by AHA on behalf of the family, AHA shall be paid the ongoing administrative fee described in 24 C.F.R. §982.152(b).

VIII. WAIVER OR MODIFICATION OF HOME OWNERSHIP POLICIES

The Executive Director of AHA shall have the discretion to waive or modify any provision of the Housing Choice Voucher home ownership program or policies not governed by statute or regulation for good cause or to comply with changes in HUD regulations or directives.

APPENDIX A: HOUSING CHOICE VOUCHER HOME OWNERSHIP OBLIGATIONS

This form is to be signed by the home buyer(s) in the presence of the Amesbury Housing Authority's (AHA) Home Ownership Program Coordinator. The Coordinator will explain any and all clauses which you, the home buyer(s), may not understand.

The following paragraphs describe your responsibilities under the Housing Choice Voucher Home Ownership Program. If you or members of your household do not meet these responsibilities, through your actions or your failure to act, you may be terminated from the Housing Choice Voucher Home Ownership Program.

1. Family Obligations: You must comply with all Family Obligations of the Housing Choice Voucher Program, excepting only the prohibition against owning or having an interest in the unit. Family Obligations §§ 982.551(c),(d),(e),(f),(g) and (j) do not apply to the Housing Choice Voucher Homeownership Program.

2. Housing Counseling: All participating family members (i.e. those signing the purchase offer and loan documents) must satisfactorily complete an AHA provided or approved counseling program prior to commencement of home ownership assistance. AHA may require any or all participating family members to attend additional housing counseling classes as a condition of continued assistance.

3. Purchase Contract: You must include contract conditions in any Offer to Purchase that give AHA a reasonable time (a) to inspect the home for compliance with HUD's Housing Quality Standards; (b) to review and approve a professional home inspection report obtained by you from a AHA approved inspector; and (c) approve the terms of your proposed financing. Advise your Realtor of these requirements.

4. Mortgage Obligations: You must comply with the terms of any mortgage incurred in the purchase of the property and must notify AHA's Home Ownership Program Counselor within five (5) days of receipt of any late payment or default notice.

5. Occupancy: You must occupy the unit as your principal residence. You may not transfer, sell, or assign any interest in the property without AHA's prior written consent. You may not rent or lease any part of the premises without AHA's prior written consent. You must notify AHA in writing at least 30 days prior to moving out of the house for a period of 30 days or longer or prior to any sale, transfer, assignment, lease or other form of alienation of the assisted property, use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).

6. Maintenance: You must maintain the property in a decent, safe and sanitary manner. You must allow AHA to inspect the property within one-week of a demand by AHA to conduct an inspection. You must correct any notice of deficiency issued by AHA within the time limit specified in the notice. If you fail to adequately maintain the property, AHA may divert the

maintenance and replacement reserves portions of the Home Ownership Assistance Payment to an escrow account to be used to pay for reasonable and necessary maintenance expenses.

7. Annual Re-examination: You must annually provide AHA with current information regarding family income and composition in a format required by AHA.

8. Refinancing: You must notify AHA in writing of any proposal to refinance the original purchase mortgage or of any proposal to encumber the property with secondary financing and obtain AHA's written approval of such financing prior to executing any loan documents.

9. Default: In the event of a default on your mortgage obligation, you must cooperate with AHA and the lender to minimize any loss to the lender in order to maintain your eligibility to continue as a participant in the Housing Choice Voucher Program.

By signing below, I attest that I have read and understood my obligations as a participant in the Housing Choice Voucher Home Ownership Program and I agree to abide by these responsibilities. I understand that AHA may terminate my home ownership assistance if I violate any of these obligations, but that I may request an informal review of any proposed notice of termination prior to it becoming effective.

Property Address: _____ Town _____ MA

Signature of Homeowner: _____ Date: _____

Signature of Homeowner: _____ Date: _____

Signature of Housing Authority Representative _____ Date: _____

Main Administrative Office:

Amesbury Housing Authority

180 Main Street

Amesbury, MA 01913

978-388-2022

Appendix V

HCV - SINGLE ROOM OCCUPANCY SOBER SUPPORTIVE PROGRAM

Housing Support Inc. -SRO
Outreach and Tenant Selection Plan

L Summary

The Elms-SRO (The Elms-SRO) Program is located at 53 Friend Street, Amesbury, MA. The Elms-SRO Program is a transitional supportive housing project for homeless individuals. The Elms-SRO Program is comprised of twenty-four (24) single room occupancy (SRO) units supported by an on-site manager. The goal of The Elms-SRO Program is to provide transitional supportive housing to homeless individuals designed to lead to greater levels of self-sufficiency and independence. The Elms-SRO Program receives twenty-four (24) Section 8 project-based rent subsidies through the US Department of Housing and Urban Development's (HUD) Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program for homeless individuals. This program is governed under HUD Regulation 24 CFR 882, subpart H. Housing Support INC. owns and operates The Elms-SRO Program as well as coordinates the provision of supportive services for the residents.

The purpose of the Outreach Tenant and Selection Plan is to establish fair and equitable guidelines for selecting applicants to occupy housing units at The Elms-SRO Program in Amesbury, MA in accordance with the Section 8 Moderate Rehabilitation SRO Program.

IL Outreach Activities

As needed, the Amesbury Housing Authority (AHA) will publicize the availability and nature of The Elms-SRO Program supported by the Section 8 Moderate Rehabilitation SRO Program for homeless individuals in newspapers of general circulation and by other suitable means. The newspaper of general circulation is the Merrimack Valley Eagle-Tribune. All print advertisements will bear the Equal Opportunity logo.

To reach persons who cannot or do not read the newspaper; the AHA may utilize public service announcements. All advertisements and announcements will indicate where (i.e. the AHA – The Elms from 9 AM – 3 PM from Monday-Thursday) and will provide information on what type of information is needed for an application.

The AHA will communicate the status of program availability to other service providers in the community and advise them of housing eligibility factors and guidelines so that they can make proper referral of their clients to the program. The AHA in partnership with The Elms

-SRO Program will regularly maintain outreach contact with the Amesbury area's homeless and human service providers to include, but is not limited to:

- Vinfen - Lawrence
- Harmony House of New Bedford
- Holy Family Hospital
- Shattuck Hospital
- TCA of Haverhill
- Danvers Transitions
- Tewksbury Transitions
- Whittier Pavilion
- New Hope of South Weymouth
- Brook House of Boston
- Lowell House
- Link House
- Self-referrals from within the community
- Salem and Chelsea Drug Court

The AHA will provide translation services to assist Non-English speaking individuals to apply for The Elms-SRO Program.

The objective of these outreach efforts is to develop a waiting list of homeless individuals which is representative of our low-income community. A particular emphasis will be placed on attracting eligible homeless individuals least likely to apply for the Housing Choice Voucher Program. The Amesbury Housing Authority will keep records of its activities in implementing the affirmative marketing plan, including records of advertisements and other community outreach efforts as necessary.

III. Description of the Eligibility

Requirements

Homeless

In order to qualify for The Elms-SRO Program, the applicant must meet FRID's definition of homelessness according to one of the following categories.

- On the streets or places not meant for human habitation (i.e. park, abandoned car, homeless encampment);
- Emergency Shelter;
- Transitional Housing but having come from the streets or emergency shelter; or
- Short-term stay (up to 30 consecutive days) in an institution but having come from the streets or
- emergency shelter.

The AHA in coordination with a The Elms-SRO's representative will gather and maintain required homeless documentation from applicants to The Elms-SRO Program. As a general rule during the application process, the AHA will require third party

documentation (i.e. letter from outreach worker, shelter or transitional housing program) to verify homelessness.

The AHA will utilize the following template to guide the homeless verification process.

Homeless Situation	Documentation Required
On the streets or places not meant for human habitation (i.e. park, abandoned car, homeless encampment)	Certification from an outreach worker or organization on agency letterhead stating current location and length of time in that location; If unable to verify in this manner, the applicant or staff member may prepare a short written statement about the applicant's previous living place and have the applicant sign and date the statement
Emergency Shelter	Written, signed and dated verification from the shelter on their letterhead stating the applicant has been a resident
Transitional Housing but having come from the streets or emergency shelter	Signed statement from the transitional housing staff indicating that the applicant is a resident; **and** Referring agency's signed and dated verification (from the applicant's file) stating the applicant's homeless status when he/she entered the program
Short-term stay (up to 30 consecutive days) in an institution but having come from the streets or emergency shelter	Written verification, on letterhead, from institution's staff that the applicant has been residing in the institution for less than 31 days; **and** Information on the previous living situation. Preferably, this will be the institution's written, signed and dated verification (on letterhead) of the individual's homeless status when he/she entered the institution

Income Requirements

- In order to be eligible for a unit in The Elms -SRO Program, the applicant's income must meet the Section 8 Very Low-Income eligibility requirements.

- No applicant will be admitted without a personal interview by The Elms-SRO Program Staff. Intentionally providing false information is considered fraud and can result in severe penalties, including but not limited to, loss of the housing unit. The Elms-SRO Program Staff will assess the applicant's ability to live independently with or without assistance and maintain housing in accordance with HUD's Housing Quality Standards and local health standards.

- Participants in this program must abide by the program requirements and failaure to comply with these requirements will result in severe penalties, including but not limited to, loss of the housing unit.

IV. Application Procedure

During the period of which The Elms -SRO Program's waiting list is open, applications will be available for applicants to pick up, fill out and drop off at the AHA's office located at 180 Main Street, Amesbury, MA 01913 and also at the office of The Elms, 53 Friend Street, Amesbury, MA 01913..The AHA will make available translation services to assist non-English speaking individuals in applying for The Elms -SRO Program.

The AHA will manage the opening and closing of the waiting list for The Elms-SRO Program notifying the community and its service provider partners of any change in the status of the waiting list.

All applications must be complete (i.e. include name, income, assets, and a signature) and eligible. Applications not filled out completely and/or legibly will not be considered for the waiting list until all information is confirmed. Reasonable accommodation, such as alternative means of receiving and submitting applications, will be made for persons with disabilities.

As stated earlier, the AHA will determine homeless and income eligibility. Once homeless and income eligibility is determined, the applicant will be placed on the waiting list. The AHA will place the eligible applicant on the waiting list based upon a "first come, first serve basis". An applicant's position on the waiting list does not assure the applicant housing at The Elms-SRO Program.

Applicants must report all application information changes (income, assets, etc.), as this may have an impact on eligibility.

Applicants will be contacted periodically in order to update the waiting list. The AHA will mail a notice to each applicant on the waiting list at the time of the update. Failure to respond to these updates will cause the applicant's name to be removed from the waiting list.

The applicant is responsible to reconfirm their continuing interest in The Elms -SRO Program by visiting the AHA office or by notifying the AHA of any changes to their contact information.

V. Utilizing the Waiting List

The AHA will follow the following procedures outlined below in managing The Elms -SRO Program:

- The Elms -SRO Program will promptly notify the Amesbury Housing Authority of a vacancy at The Elms -SRO Program.
- The AHA will verify all information on the application to include verifying homeless eligibility, income eligibility and other Section 8 eligibility criteria.
- The AHA will also ask the applicant to provide all needed third party backup documentation to complete the application prior to any offer of a unit.
- If the applicant does not respond within ten (10) working days to the first offer to be interviewed, the applicant will be notified in writing of his/her removal from the waiting list. If the applicant replies to the notification but declines the interview and/or the unit, the applicant will be removed from the waiting list. The AHA will grant exceptions to this policy as reasonable accommodation for applicants with a disability.
- The Elms -SRO Program staff will contact the applicant in writing or by phone to coordinate an interview appointment.

VI. Interview and Final Selection Process

The Elms -SRO Program staff may contact previous landlords for information regarding the applicant's history of complying with lease requirements, payment records, destruction of property or interference with the rights of others, physical hazards, unhealthy sanitary conditions, or illegal activities. In the case where applicants do not have any previous landlord, or if a previous landlord is unavailable, The Elms -SRO Program staff may request personal references from someone not related to the applicant, such as a counselor or case manager.

No applicant will be admitted without a personal interview by The Elms -SRO Program staff. Intentionally providing false information is considered fraud and can result in severe penalties,

Once the interview is complete, The Elms -SRO Program staff will review all supporting information on the applicant(s) and make final selection of tenancy to The Elms -SRO Program.

VII. Program Briefings and Move-In

The AHA and The Elms -SRO Program will follow the procedures outlined below to assist a new tenant in moving into The Elms -SRO Program.

- After the applicant has been accepted, the AHA will hold a briefing with the prospective tenant to provide all necessary information regarding the Section 8 Program.
- The Elms -SRO Program staff will also conduct a briefing in order to review the

Residency Guidelines and execute the lease.

- The AHA will conduct and certify the SRO unit for Housing Quality Standards prior to the move-in date.
- The Elms -SRO Program staff will then coordinate a move-in date with the tenant and assist with the integration of the tenant into the SRO community.

VIII. Rejection and Appeal Process

1. Amesbury Housing Authority's Appeal Policy

In accordance with the requirements of 24 CFR Section 882.216, applicants for participation and participant families are, in some cases, entitled to either an informal review or an informal hearing relative to certain Housing Authority decisions. The AHA has adopted hearing procedures as required under Section 882.209 (b) (4) (vii) and 882.216:

> *"The Authority shall, as required by HUD regulations, provide information on its procedures for conducting informal hearings for participants. This information shall contain a general description of the procedures for conducting informal hearings for participants in the Authority's Section 8 Program, including a description of the circumstances in which the Authority is required to provide the opportunity for an informal hearing pursuant to 24 CFR 882.216 (b) (1) and (b) (2), and of the procedures for requesting a hearing. "*

The AHA's Hearing Procedure is described in detail within its Section 8 Administrative Plan. The following description is meant to summarize the process for an applicant to appeal the initial decision by the AHA regarding tenancy at The Elms -SRO Program.

2. Request for Appeal

An applicant may be denied at any time if they have not met the homeless eligibility requirement, the income requirement or any of the other Section 8 program requirements. If an applicant is denied, the AHA will notify the applicant in writing stating the reason for denial.

In the denial letter, the AHA will offer the applicant the option to appeal the decision through an informal hearing with the AHA staff. To do this, you must make a written request to the Housing Authority within a reasonable time not exceed twenty (20) days of your receipt of this notice. You may be represented at the hearing/review by counsel or any person of your choice.

The applicant has twenty (20) days after receipt of the denial letter by the applicant to submit a written appeal to the AHA requesting the informal appeal stating the reasons for the request. If a denial letter is sent to an applicant, and no response is received with twenty (20) days, the AHA will close the file permanently.

If an informal appeal is requested, the AHA will consider any mitigating circumstances that the applicant feels would have an effect on their application and that would overcome or outweigh information gathered in the screening process. Mitigating circumstances must be documented during the informal appeal, and must support the reason(s) given by the applicant for being rejected.

The AHA will notify the applicant of their final decision within a reasonable time not to exceed fourteen (14) days of receiving the applicant's written request, unless further information or research is required to give full consideration to the appeal.

If the applicant is not satisfied with the decision, the applicant may contact Neighborhood Legal Services located at 170 Common Street, Suite 300, Amesbury MA or submit a complaint to the HUD Office of Fair Housing and Equal Opportunity in Boston.

IX. Discrimination

The AHA provides assistance to Section 8 SRO Moderate Rehabilitation applicants who believe they may have encountered discrimination in seeking a unit. The issuance of Section 8 assistance and the establishment of a waiting list are in conformance with the Title VI of the Civil Rights Act of 1968, and Executive Order 11063. Any person who believes they have been victims of unlawful discrimination is referred to the MA Commission Against Discrimination. The AHA conducts investigations on all federal and state housing discrimination complaints. Complaints can also be filed with HUD.

X. Privacy Policy

It is the policy of the AHA and The Elms -SRO Program to guard the privacy of the applicants as conferred by the Federal Privacy Act of 1974 and to ensure the protection of such applicants' records maintained by both the AHA and The Elms -SRO Program.

Therefore, neither the AHA, The Elms -SRO Program or its representatives or employees shall disclose any personal information contained in its records to any person or agency unless the individual about whom information in requested shall give written consent to such disclosure.

This Privacy Policy in no way limits the AHA or The Elms -SRO Program's ability to collect such information as it may need to determine eligibility, compute rent, or determine suitability of tenancy. Consistent with the intent of Section 504 of the Rehabilitation Act of 1973, any information obtained regarding the disability status will be treated in a confidential manner.

XI. General Guidelines

An applicant must complete and sign the application in order to be considered for tenancy at The Elms -SRO Program. An applicant will be processed and considered conditionally eligible for housing based solely on statements given in the application form.

The completion of an application and or contact by the AHA or The Elms -SRO Program does not constitute the offering of a unit or acceptance of the applicant for housing. The AHA shall review and approve all eligibility criteria before an offer of tenancy is made.

As a condition of admission to a unit, the applicant shall execute any releases and consents authorizing any federal, state, or local agency, to furnish or release to the AHA such information as the AHA and the Section 8 regulations determine to be necessary.

XII. Application Materials

- Sample Advertisement
- Application Form
- Authorization for Consent to Release Information
- Lease Agreement
- A statement regarding the housing provider's obligation not to discriminate in the selection of applicants. Such a statement must also be included in the application materials. Information indicating that disabled persons are entitled to request a reasonable accommodation of rules, policies, practices, or services, or to request a reasonable modification of the housing, when such accommodations or modifications are necessary to afford the disabled person equal opportunity to use and enjoy the housing.

APPENDIX VI

AMESBURY HOUSING AUTHORITY

INTERNAL CONTROLS POLICY

(Approved by the Board of Commissioners on July 19, 2016)

1) Internal controls are defined by the Amesbury Housing Authority as "the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability financial records." Local housing authorities should address financial controls through both prevention and detection. Internal controls of Housing Authority are designed to accomplish the following:
   a) Safeguarding resources against waste, fraud, and inefficiency
   b) Promoting accuracy and reliability in accounting and operating data
   c) Encouraging and measuring compliance with local agency policy
   d) Evaluating the efficiency of financial operations in all departments of the authority.

2) Amesbury Housing Authority shall maintain and periodically review (at least annually) policies related to personnel, procurement, rentals, collection, fiscal operations, and investments. All revisions shall be board approved. All policies are submitted to HUD for review as a part of the five year planning process.

3) Amesbury Housing Authority shall segregate duties to the greatest extent possible given organization size and staffing levels. Due to the size of Amesbury Housing Authority, the human resource function and network administration function are consolidated within the accounting department.

4) Cash loans to employees are prohibited. This includes payroll advances. Loans against employee retirement plans are prohibited by the plan policy.

5) Amesbury Housing Authority Insurance Coverage
   a) An insurance schedule is to be maintained and updated annually by the Accounting Department that lists carrier, coverage limits, premiums, deductibles and expiration dates. This schedule will be reviewed by the Executive Director annually.
   b) Insurance coverage limits for property are reviewed periodically via an on- site review by a professional in the insurance field to ensure that coverage amounts are adequate.

6) All Amesbury Housing Authority general ledger records shall be kept up to date and in accordance with the HUD system of accounts.
   a) Control accounts (rental and pet deposit accounts) shall be balanced with subsidiary accounts monthly by the accounting clerk. Rent rolls are also balanced for Section 8 HAP properties when preparing HAP checks by the Accounting

b) Clerk with consultation with leased housing manager. All rent rolls are to be maintained by the Property Managers and Accounting Clerk.
c) Journal entries shall be approved by Fee Accountant prior to the monthly closing of the books. (Including automatic entries detailed below)
d) Recurring, automatic posting journal entries shall be used for repetitive items to the greatest extent possible (i.e. amortizations, accruals, etc.). This reduces the potential for human entry error.
e) Financial Statements, to include Income Statements and Balance Sheets, shall be presented to the board monthly. The Income Statement shall compare YTD expenditures to YTD budget. Any abnormalities, significant variances with the budget, or significant expenditures shall be reviewed with the board by the Fee Accountant and Executive Director.
f) All accounting records are backed up continuously to an alternate location by the Fee Accountant and the Amesbury Housing Authority via the internet.

7) All Amesbury Housing Authority sets of books shall adopt a formal budget each year that will be presented to and approved by the Board of Commissioners by resolution. If necessary, mid-year budget revisions shall also be board approved.

8) Amesbury Housing Authority Petty Cash
   a) Responsibility for petty cash is assigned to the Accounting Clerk.
   b) Petty cash is limited to $100.
   c) Petty cash is signed for, in ink on a preprinted form, by the person receiving the cash
   d) Valid receipts are required for the use of petty cash
   e) Petty cash is not to be utilized for check cashing purposes
   f) Petty cash must be reconciled by the Accountant clerk prior to replenishment
   g) Petty cash lock box shall be stored in the vault as a protection from misuse and fire

9) Amesbury Housing Authority depository accounts
   a) All bank accounts shall be authorized by the Board of Commissioners
   b) All bank account statements shall be directed initially upon receipt to the Executive Director for review, then forwarded to the Accounting Clerk for review. Statements are reconciled monthly and reviewed by the Fee Accountant after reconciliation. This review shall include the following:
      i) review of check numbers
      ii) review of authorized signatures
      iii) comparison to general ledger cash balance
      iv) review of transfers, direct deposits, and direct drafts
      v) review of NSF items
      vi) comparison to cash logs
   c) All bank accounts shall have running balances available to accurately forecast cash uses, receipts and needs. Excess cash should be transferred to higher yield
   d) investment accounts in accordance with the Amesbury Housing Authority Investment Policy.

10) Amesbury Housing Authority disbursements

a) With the exception of petty cash and pre-authorized vendor direct drafts, all disbursements are to be made by check
b) All checks are to be issued in sequence
c) All bank and other information is printed on the checks by the software and only authorized users have password access to the software.
d) All vouchers are prepared by the Accountant Clerk and approved by the Executive Director prior to preparation of checks. Vouchers will have the following components reviewed:
    i) Authorization (PO, etc.)
    ii) Receipt of goods
    iii) Amount paid
    iv) Account coding
    v) Expense reasonableness (travel and training expenses and reimbursements)
    vi) all reimbursement transfers between accounts are approved by the Executive Director and Accountant prior to the transfer
    vii) all vouchers are to be marked paid after check is issued to prevent duplicate payments
e) Checks are processed through the PHA Web software system by the Accountant Clerk.
f) Checks are presented along with invoices to the Executive Director.
g) All invoices are marked paid with the Accounting Clerk signature
h) Accounting Clerk is responsible for mailing of the Checks.
i) All transactions are to be paid by check disbursement or pre-authorized vendor direct drafts. No direct wire payments are permitted.
j) At the end of each month, bank reconciliation will be performed by the Accounting Clerk who will reconcile amounts shown on the bank statement with cash deposits and disbursements.
k) Bank statements and reconciliations are reviewed each month by the fee accountant, verifying that all the checks have the appropriate signature and that the check payee and amount have not been altered.

11) Amesbury Housing Authority Purchasing

a) Purchasing shall be accomplished through the Executive Director with the exception of routine office and maintenance supplies. These items may be procured by the Administrative Clerk and Maintenance Director respectively.
b) Non-routine purchases in excess of $100 will be approved by the Executive Director. All purchases are reviewed by the Executive Director prior to signing check payments.
c) Food purchases shall be approved by the Executive Director.
d) All items shall be procured in accordance with the Procurement Policy.
e) Purchasing shall be independent of the receiving and payment functions.
f) Procurement card purchases shall be made in accordance with the procurement card policy.
g) Received goods shall be inspected for condition and quantity when received.

12) Amesbury Housing Authority Payroll

a) Personnel records shall be maintained in a locked area with access restricted to those payroll clerks with human resource responsibilities
b) Executive Director approval is required for both addition to and deletion of names from the payroll listing
c) Executive Director approval is required for interim changes to salary rates of employees

d) The salary schedule is presented to the Board of Commissioners and approval is done through approval of budgets that incorporate wages as line items.
e) Straight time, overtime, holiday, personal and major medical amounts paid are all reviewed by the Accounting Clerk prior to preparation of paychecks.
f) All data in the timesheet must be completed (either typed or printed). All eligible employees must sign all completed time sheets at the end of the pay period. The supervisor is responsible for verifying that the time sheet is complete and accurate, including hours worked. All time sheets will be turned into the Executive Director and then to the accounting clerk for processing.
g) An outside payroll company (1st Payroll), Accounting Clerk and Executive Director are currently tracking all accrual time (sick, vacation, personal) for all employees in the Authority.
h) Amesbury HA also requires that all sick, vacation, or personal time off scheduled in advance be documented and sign off by the supervisor and Executive Director filed in each individual personnel file.

13) Accounts receivable
   a) Amounts contained in the general accounts receivable are reviewed monthly by the Fee Accountant.
   b) Past due resident accounts receivable are reviewed by the Accounting Clerk and the Executive Director.
   c) Write offs of uncollectible resident accounts receivable requires prior board approval
   d) Accounts receivable access is to be limited to housing and accounting department.

Accounts receivable data is contained in written and computerized form. The computerized form is backed up continuously to an alternate location via the internet

14) All Amesbury Housing Authority investments and pledged securities shall be obtained, recorded (including investment and interest revenue) and reviewed.

15) Issued Credit Cards
   a) The Amesbury Housing Authority will only apply for credit cards from businesses that refuse to directly invoice the Amesbury HA, such as Home Depot and Lowes etc in compliance with the Amesbury Housing Authority Credit Card Policy.
   b) Any credit card the Amesbury HA issues to an employee must only be used for business purposes. Employees with such credit cards shall not use them for any non-business, non-essential purpose, i.e., transactions for the benefit of anyone or anything other than the Amesbury HA. Use of the issued credit cards is a privilege, which may be withdrawn in the event of any suspected abuse. Unauthorized usage of credit card(s) issued in accordance with the Terms & Conditions will be considered a violation of this policy and could result in disciplinary action up to and including termination. Additional penalties could include professional sanction, debarment, and/or criminal prosecution.
   c) To ensure good financial management and sound governance, credit cards will be issued to the minimum number of employees that will allow the Amesbury HA to satisfy its business objectives. Credit card(s) must be kept in a secure location at all times. The Authorized User will be responsible for custody of the card. In order to guard against possible fraud, the Authorized User should not lose sight of the card during a transaction. Credit Card usage in the day to day business of the Amesbury HA is intended to

facilitate transactions on a limited basis, primarily to provide simpler means of purchasing materials for the Amesbury HA.

d) All Credit Card transaction must have an authorized Purchase Order Number (PO) from the Amesbury HA when purchasing and all PO will be crossed referenced with all transaction on the credit cards monthly.

16) Physical Assets
   a) Board approval is required for real property acquisition.
   b) Parts inventory shall be maintained in a locked facility with access granted only to authorized personnel.
   c) Perpetual inventory records shall be maintained with periodic counts being performed annually at a minimum.
   d) Accounting records will be adjusted as appropriate if differing quantities appear in the physical counts.
   e) Inventories are covered under "contents value" on the Property Insurance Policy
   f) Fixed assets detail records are balanced monthly to general ledger accounts
   g) All physical assets are bar coded and inventoried annually
   h) Residents acknowledge receipt of appliances for use in their unit at move in on the "Residents Lease"
   i) Board approval by resolution is required for disposition of assets maintained on the books (in accordance with property disposition policy)

17) Amesbury Housing Authority Property Management Department shall maintain occupancy records that indicate when each unit vacates, how long it is in maintenance, how long it is in management for leasing and the re-rent date. These records are reviewed monthly by the Executive Director. Extended vacancies are reviewed in depth by the Executive Director.

18) Board Meetings shall be held in accordance with the By-Laws and recorded by detailed minutes which are approved monthly and maintained indefinitely.

19) Miscellaneous Provisions
   a) Partisan political activity is prohibited.
   b) Davis Bacon and related acts are to be adhered to according to the Procurement Policy.
   c) Annual HUD required reports shall be submitted timely by the appropriate responsible staff member.
   d) Section 8 contract rents shall be reviewed and adjusted annually (if factors are high enough for an adjustment).
   e) Executive Director and Leased Housing Coordinator have signatory authority to execute Housing Assistance Payments Contracts for units assisted on the Section 8 Housing Choice Voucher Program.
   f) Executive Director and Housing manager have signatory authority to execute State Aided Public Housing Leases for units assisted through the State Public Housing Program.

APPENDIX VII
AMESBURY HOUSING AUTHORITY

FRAUD POLICY
(Approved by the Board of Commissioners on July 19, 2016)

Introduction

The Board of Commissioners of the Amesbury Housing Authority has established an anti-fraud policy to enforce controls and to aid the prevention and detection of fraud, theft, waste, or abuse against the Authority. This policy applies to any fraud, theft, waste, or abuse or suspected fraud, theft, waste, or abuse involving any employee (including management), consultant, vendor, contractor, or outside agency doing business with the Authority or in any other relationship with the Agency. This policy is supported and supplemented by a variety of existing policies and procedures including the Code of Conduct, Consolidated Annual Contributions Contract(s), EIV, Administrative Plans and various accounting and reporting procedures. These policies and procedures further provide a framework to support compliance with this policy.

The Board of Commissioners does not tolerate any type of fraud, waste or abuse. The Agency's policy is to promote consistent, legal and ethical organizational behavior by:

- Assigning responsibility for reporting fraud, theft or abuse;
- Providing guidelines to conduct investigations of suspected fraudulent behavior; and
- Requiring each employee to attend annual fraud awareness training.

Failure to comply with this policy subjects an employee (including management) to disciplinary action, including immediate termination. Failure to comply by a consultant, vendor, contractor, outside agency, or person doing business with the Amesbury HA or in any other relationship with the Amesbury HA could result in cancellation of the business or other relationship between the entity and the Amesbury HA.

The Board of Commissioners will pursue prosecution if the results of an investigation indicate the possibility of criminal activity.

For purposes of this policy only the term *fraud* or *fraudulent* includes theft, waste, and abuse as defined below.
The term *employee* includes employees in management process positions. The term management includes, Commissioners, Executive Director, administrative personnel and supervisors.

Creating a Culture of Honest and High Ethics

Amesbury Housing Authority has a culture of honesty, integrity and high ethics.

Contributing to this are:

- A commitment from the Board of Commissioners to tolerate only the highest levels of honesty, integrity and ethics
- A positive workplace environment supported by adequate compensation, benefits and protections.
- Hiring the best qualified persons and promoting existing employees based on merit.
- Making adequate training opportunities available.
- Issuing discipline in a fair and consistent manner.

Definitions and Examples of Fraud, Waste, and Abuse

Fraud is defined as an intentional deception designated to obtain a benefit or advantage or to cause some benefit that is due to be denied. Examples of fraud include:

- Forgery or alteration of a check, bank draft, or any other financial document;
- Theft of a check or other diversion of a client payment;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Profiteering as a result of insider knowledge of HA operations; and
- An employee with access to confidential client information who sells this information or uses it in the conduct of an outside business activity.

Waste is the loss or misuse of the Amesbury HA resources that results from deficient practices, system controls, or decisions.

Abuse is the intentional, wrongful, or improper use of resources or misuse of rank, position, or authority that causes the loss or misuse of resources such as tools, vehicles, computers, copy, machines, etc. Examples of abuse include:

- Using Amesbury HA equipment or supplies to conduct personal business; and
- An employee using non-confidential client information to get new customers for his/her outside business.

Theft is defined as the act of taking something from someone unlawfully. An example of theft is taking home a tool or other piece of equipment belonging to the Amesbury HA and keeping it for personal use.

Responsibility to Report Suspected Fraud

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct to the Executive Director, Board Chairperson, or Massachusetts Department of Housing and Community Development (DHCD) and/or the U.S. Department of Housing and Urban Development (HUD).

Management is required to report suspected fraud, theft, waste, or abuse or other dishonest conduct including reports from employees or other individuals to the Executive Director.

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct of the Executive Director to the Board Chairperson.

Each employee is required to report any suspected fraud, theft, waste, or abuse or other dishonest conduct of the Board Chairperson or any Commissioner to the DHCD and/or HUD.

The Executive Director has the authority to determine the merits of a report of suspected fraud including obtaining, if necessary, the assistance of the Amesbury HA Attorney.

The identity of an employee or complainant who reports suspected fraud will be protected to the full extent allowed by law.

Suspected improprieties and /or misconduct concerning an employee's ethical conduct should be reported in the same manner and to the same reporting entity as fraud, theft, waste, abuse or other dishonest conduct. Note that there are many instances of prohibited actions that do not rise to the level of fraud, such as an improper relationship with a vendor.

Guidelines for Handling a Report of Suspected Fraud, Theft, Waste, or Abuse

Whether the initial report is made to the Executive Director, Board Chairperson or DHCD/HUD, the reporting individual should receive the following instruction and information:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Allow the investigative body to conduct the investigation. Do not further investigate the allegations.
- Observe strict confidentiality. Do not discuss the case, facts, suspicions, or allegations with anyone else unless specifically asked to do so by the investigative body, police, Amesbury HA Attorney, or the Office of the Inspector General.
- Retaliation will not be tolerated. The Amesbury HA will not tolerate any form of retaliation against individuals providing information concerning fraud or suspected fraud.
- Every effort will be made to protect the rights and the reputations of everyone involved including the individual who in good faith alleges perceived misconduct as well as the alleged violator(s). (See: *Disciplinary Action* for the consequences of making a report of fraud in bad faith.)
- The identity of an employee or other individual who reports a suspected act of fraud will be protected as provided by this policy.

Responsibility of the Executive Director

The Executive Director, in consultation with HUD and Fiscal Auditor, shall evaluate the risks of fraud and implement processes, procedures and controls to mitigate those risks. Neither fraudulent financial reporting nor misappropriation of assets can occur without a perceived opportunity to commit and conceal the act. The Executive Director will be proactive in reducing fraud opportunities by:

- Identifying and measuring fraud risks;
- Taking steps to mitigate identified risks; and
- Implementing and monitoring appropriate preventative and detective internal controls and other deterrent measures.

The Executive Director shall serve as the primary Ethics Officer for the Amesbury HA. On receiving a report of fraud, the Executive Director shall document the contact and conduct a preliminary investigation to determine the credibility of the report. If the report is credible, the Executive Director shall follow the investigation guidelines provided in this policy.

The Executive Director shall make every effort to protect the rights and the reputations of everyone involved in the report of suspected fraud, including the individual who in good faith alleges perceived misconduct as well as the alleged violator(s). The Executive Director also shall make every effort to protect the identity of a person who in good faith reported the suspected fraud.

The Executive Director may find it necessary to involve outside agencies to assist the investigation and may refer questions as to whether the action constitutes fraud to the Agency's Auditor or Attorney, as appropriate.

On determining that a report is not credible or is not a report of fraud, the Executive Director shall document this determination. The Executive Director's documentation shall include support for the determination.

The Executive Director is responsible for the administration, interpretation, and application of this policy. The Board of Commissioners is responsible for policy adoptions and revisions.

Guidelines for the Investigation of Suspected Fraud

The Executive Director is responsible for the investigation of reported wrongdoing and all suspected fraud and for coordinating investigative activities. Each employee involved in an investigation of suspected fraud shall keep the content of the investigation strictly confidential to the full extent provided by law. Investigation results shall not be disclosed or discussed with anyone other than those who have a legitimate need to know.

Any required investigative activity shall be conducted without regard to the suspected wrongdoer's length of service, position/title, relationship to the Amesbury HA, or any other perceived mitigating circumstance.

The Executive Director shall maintain appropriate documentation regarding incidents of fraud. The Executive Director shall develop and maintain guidelines for access to and security of this documentation, until a determination is filed.

If an investigation substantiates fraudulent activities, the Executive Director will prepare an incident report to the Board of Commissioners. The Executive Director shall prepare the report as soon as possible after the fraud is confirmed and shall document the content of the investigation, the findings, and any disciplinary action taken as a result of the finding.

If an investigation substantiated fraudulent activities of a possible criminal nature, the Executive Director shall determine, in consultation with the Board of Commissioners, HUD, DHCD, Amesbury HA's Attorney and/or the Office of the Attorney General, whether to refer the matter to law enforcement and/or at what level.

Any inquiries from the suspected individual, his or her attorney/representative, or any other inquirer shall be directed to the Executive Director. If necessary, the Executive Director will refer these inquiries to the Amesbury HA Attorney.

The Board Chairperson is responsible for the investigation of any reported wrongdoing by the Executive Director. The Board Chairperson shall follow the same procedures that have been established for the Executive Director to follow when investigating and addressing possible wrongdoing. The Board Chairperson shall advise the other members of the Board of Commissioners about the allegations and provide them with periodic updates on the status of the investigation. The Board Chairperson may also choose to appoint one or more Commissioners to assist with the investigation. Each Commissioner is bound by the same requirements for strict confidentiality. Should an initial allegation of fraud, other than by the Executive Director, be directed to the Board Chairperson, the Board Chairperson shall determine whether the Executive Director or the Board Chairperson shall conduct the investigation.

Any reported wrongdoing by a member(s) of the Board of Commissioners shall be reported to the Department of Housing and Community Development (DHCD) and/or the Department of Housing and Urban Development (HUD).

Disciplinary Action

Failure to comply with any part of this policy is grounds for disciplinary actions, including immediate termination. Including:

An employee who:

- Has engaged in any form of fraud, waste, or abuse;
- Suspects or discovers fraudulent activity and fails to report his or her suspicions as required by this policy (See: Responsibility to Report Suspected Fraud); or
- Intentionally reports false or misleading information.

Any member of management who does not pass on to the Executive Director each every report of suspected fraud made by an employee or other person is subject to disciplinary action, including immediate termination.

Any losses from fraud will be recovered, if necessary, through civil action.

Client Fraud within the Assisted Housing Programs

The Amesbury HA has developed very specific procedures and guidelines for dealing with fraud by clients of its assisted housing programs. These standards are contained in the Admissions and *Continued Occupancy Policy* for the Public Housing Program and *Section 8 Administrative Plan* for the Housing Choice Voucher Program. The Amesbury HA will take one or more of the following actions whenever it reaches a positive determination:

- Enter into a repayment agreement;
- Terminate assistance (Housing Choice Voucher Program);
- Terminate tenancy and evict (Public housing Program);
- Seek recovery of any excess subsidies including damages & legal costs through the civil courts; and or
- Refer the matter to the Office of the Inspector General.

Fraud Awareness Training

From time to time, training programs regarding fraud awareness become available to the Amesbury HA through various means. As these programs become available, applicable staff will be asked to attend such trainings. After attending the training, the participating employees must sign a form indicating that they have attended the training and understood its content.

Report

Incidents of suspected fraud determined by the Executive Director to have merit shall be reported to the Board of Commissioners at the next Board meeting after the conclusion of the investigation. The report shall include; whether the report was from an employee; the determination of merit; whether a full investigation was conducted and if so, the results of the investigation; the disciplinary action, if any resulting from the investigation; whether the report was referred to an outside entity and if so, the current status or finial results of the referral.

APPENDIX VIII

AMESBURY HOUSING AUTHORITY

EIV SYSTEM POLICY AND PROCEDURES

Vote and Approved 9/19/2017

I. PURPOSE

The purpose of this document is to provide instructions and guidelines on the use of the Enterprise Income Verification (EIV) system for Amesbury Housing Authority program users. The EIV system is used to validate family reported income (wages, unemployment and social security benefits), before or during a tenants annual recertification, through an independent source such as the National Directory of New Hires and the Social Security Administration. The EIV system also provides an "Exceeds Threshold Report" (Income Discrepancy Report), which identifies households that may have potentially under reported annual household income. The EIV system provides quick access to a web based application to obtain income verifications. The EIV system meets requirements for written third-party verification and justifies the use of current tenant-provided documents for income calculations. The use of the EIV system will reduce and/or eliminate HUD Subsidy overpayments due to intentional or unintentional under reporting and/or non-disclosure of income.

II. SECURITY AND PROTECTION OF DATA

The information processed by the EIV system includes but is not limited to state and federal wage and income data about private individuals, as well as identifying information such as Social Security Number, address, and employment information. This personal information is protected by the Federal Privacy Act, which requires confidentiality of personal data contained in government or contractor files. As a condition of receiving the EIV data, the Amesbury Housing Authority will establish and maintain certain safeguards designed to prevent unauthorized use of the information and to protect the confidentiality of that information. The EIV Rules of Behavior, which is signed by authorized staff prior to EIV access, clearly delineate the responsibilities and expectations for all individuals with access to the EIV system. In addition, all users must have a signed User Agreement on file before EIV access will be allowed. All EIV users are responsible for the protection of passwords, information, equipment, systems, networks and communication pathways to which they have access.

The Executive Director is responsible for the review of the list of approved User ID'S every two (2) years. He/she will also ensure that the appropriate staff member has signed a User Agreement on an annual basis.

Additional safeguards to protect the confidentially of EIV data can be found in the Amesbury Housing Authority EIV Security Policy.

III. EIV PRACTICES AND PROCEDURES

The EIV system will be utilized before or during the annual or interim rent redetermination process. The authorized user will access the EIV system only after verifying that there is a valid, signed HUD-9886 Form in the tenant household file.

The authorized user will login to the EIV system using their unique User ID and password. Users can search for data by Head of Household or Re-examination month. If Head of Household data is required, the user will obtain the EIV information using HUD's search criteria. This criteria includes:

- Head of Household SSN and/or
- Head of Household Last Name and/or
- Head of Household Date of Birth

After retrieving the income information from the EIV system, the employee shall compare this information with the documentation provided by the HUD program participant. If there is no income discrepancy, no further action is required and the redetermination process may proceed.

If there is an income discrepancy, the employee must determine the validity of the discrepancy and corrective actions must be taken. Examples of these corrective actions include obtaining additional third-party verification and/or contacting the program participant for further information. If an income discrepancy still occurs after these corrective actions have been taken, the following measures shall be enforced:

- A private conference will be scheduled to discuss the income discrepancy with the program participant
- If the discrepancy is deemed valid after the private conference is held, the program participant shall be assessed a retroactive charge for the unreported income.
- A letter shall be sent to the program participant informing them of the retroactive amount due and of their right to a grievance hearing. Per Federal regulations the grievance hearing request must be in writing within 7 days from the date of the letter.
- If the income discrepancy if deemed invalid after the grievance hearing, no further action is required. However, if the discrepancy is deemed valid the retroactive charge shall be enforced and must be paid within thirty day of the grievance hearing or paid in accordance with an executed repayment agreement by both the tenant and the Housing Authority.

Failure to comply with the payment of retroactive rent due may result in eviction and/or termination of program participation. Further actions taken by the Amesbury Housing

Authority may include the reporting of the income discrepancy to the Massachusetts Office of the Attorney General for fraud.

The benefits of resolving income discrepancies will:

- Reduce HUD subsidy overpayments
- Reduce AHA income and rent errors
- Increase Multi Family Housing rent revenue
- Increase available Section 8 Housing Choice Voucher Program HAP funds
- Ensure that limited and decreasing federal funding serve as many eligible families as possible and
- Improve income reporting integrity in HUD rental assistance programs.

The Amesbury Housing Authority staff shall adhere to the procedures and guidelines set forth in this policy to ensure the highest level of privacy and confidentiality regarding the EIV system data and that they are in compliance with Federal law regarding protection of this data. This policy will be reviewed annually and updated accordingly as per Federal regulations.

APPENDIX IX

AMESBURY HOUSING AUTHORITY

EIV SYSTEM SECURITY POLICY

Vote and Approved 9/19/2017

INTRODUCTION

Enterprise Income Verification (EIV) information will be used only to verify a tenant's eligibility for participation in HUD's rental assistance and Multi Family programs. Data obtained through the EIV system will be verified by appropriate third-party sources when required by HUD regulations.

EIV COORDINATOR

The Executive Director will be appointed as the EIV Coordinator to supervise and enforce the security procedures. The EIV Coordinator will be responsible for the annual EIV Security Training of all EIV Users and Review all EIV users ID's. The EIV Coordinator shall maintain records in accordance with HUD Handbook 4350.3.

Recognition, reporting and disciplinary action in response to security violations are crucial to successfully maintaining the security and privacy of the EIV system. These security violations may include the disclosure of private data as well as attempts to access unauthorized data and sharing of User ID's and passwords. Upon the discovery of a possible improper disclosure of EIV information or other security violation by an employee or any other person, the individual making the observation shall contact the EIV Coordinator. The EIV Coordinator will document all improper disclosures in writing providing details, those involved, what was disclosed, how the disclosure occurred and where and when it occurred. The EIV Coordinator will then review the report of improper disclosure and remove the EIV access.

The EIV Coordinator shall be responsible for notifying the HUD Field Office PIH Director should there be any unauthorized use of the system, occurrence of improper disclosures of EIV data and/or security breach to the HUD National Help Desk.

ACCESS TO EIV

Access to EIV data will be limited to persons whose duties or responsibilities require access. The level of access will also be limited to the functional areas of specific users as required.

Designated members will be trained on the proper procedures for handling of files containing EIV data and documentation on all trainings records shall be maintained. Designated staff

members will be required to at least once a year participate in training that includes a review of the EIV security policy and complete the EIV Security Awareness Training Questionnaire.

Information from the Enterprise Income Verification website will be downloaded only with a HUD 9887 or HUD 9887-A Notice and Consent for Release of Information Form signed by each household member 18 years of age or older, on file. The data, pertaining to only one family, will be maintained in the tenant/participate file. This data will be maintained in the same confidential manner as all tenant/participant data.

SECURITY AT MAIN OFFICE

The external entrance doors to the main office are secured through locked entry way, an electronic key pad access system and a security alarm system.

Tenant files are kept in locked metal cabinets in the Section 8 Housing Coordinator's office. Access to tenant files will be limited to persons whose duties or responsibilities require access. Under no circumstances will other persons be allowed to view or obtain EIV information from the tenant files.

Computerized data will be handled in the following manner:

- Data downloaded from the Enterprise Verification System will not be saved to a hard drive.
- EIV will not be saved to a disk or other media storage.
- Printouts of EIV data will be collected from the printer immediately.

DISPOSAL OF EIV INFORMATION

EIV data will be destroyed in a timely manner based on the information provided in HUD's published EIV training materials. As necessary, all EIV originals will be shredded and information about use of EIV information and how printouts were destroyed will be maintained in the resident file.